

<i>SERFF Tracking Number:</i>	<i>PRLC-128229963</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Principal Life Insurance Company</i>	<i>State Tracking Number:</i>	
<i>Company Tracking Number:</i>	<i>SF 906</i>		
<i>TOI:</i>	<i>A02.11 Individual Annuities- Deferred Non-Variable and Variable</i>	<i>Sub-TOI:</i>	<i>A02.11.002 Flexible Premium</i>
<i>Product Name:</i>	<i>Individual Flexible Premium Variable Deferred Annuity</i>		
<i>Project Name/Number:</i>	<i>Principal Income Builder 3 and 10/SF 906 etal</i>		

## Filing at a Glance

Company: Principal Life Insurance Company

Product Name: Individual Flexible Premium      SERFF Tr Num: PRLC-128229963      State: Arkansas

Variable Deferred Annuity

TOI: A02.11 Individual Annuities- Deferred Non-      SERFF Status: Closed-Approved-      State Tr Num:

Variable and Variable      Closed

Sub-TOI: A02.11.002 Flexible Premium      Co Tr Num: SF 906

Filing Type: Form

State Status: Approved-Closed

Reviewer(s): Linda Bird

Disposition Date: 04/25/2012

Author: Julie Gwennap

Date Submitted: 04/18/2012

Disposition Status: Approved-Closed

Implementation Date Requested: On Approval

Implementation Date:

State Filing Description:

## General Information

Project Name: Principal Income Builder 3 and 10

Project Number: SF 906 etal

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact:

Status of Filing in Domicile:

Date Approved in Domicile:

Domicile Status Comments:

Market Type: Individual

Individual Market Type:

Filing Status Changed: 04/25/2012

State Status Changed: 04/25/2012

Deemer Date:

Created By: Julie Gwennap

Submitted By: Julie Gwennap

Corresponding Filing Tracking Number:

Filing Description:

New individual annuity forms are submitted for your approval. We will use the forms with individual flexible premium deferred variable annuity contract SF 749, approved on 05/28/2004.

The Guaranteed Minimum Withdrawal Benefit Riders replace rider form SF 753-J-2, approved on 07/24/2009.

The Data Pages replace Data Pages form SF 749-4, approved on 07/24/2009.

In addition to general formatting and text changes, please note the following substantive differences between the new

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riders and the rider they replace:

\* Rider SF 906 contains a 10-year GMWB Bonus instead of a 3-year GMWB Bonus, the rider charge is different, and the GMWB Bonus will not be added to the For Life Remaining Withdrawal Benefit Base or the Investment Back Remaining Withdrawal Benefit Base as it was under the terms of the replaced rider.

\* Rider SF 912 provides for "for life" withdrawal benefits instead of the "for life" and "investment back" benefits provided under the terms of the replaced rider, and the "for life" withdrawal benefit payment percentages are slightly different between the two forms.

1. Licensed agents and brokers will sell form SF 906, Guaranteed Minimum Withdrawal Benefit Rider, to individuals who are between the ages of 45 and 80 (inclusive). Under this rider, as long as certain conditions are met, we guarantee the contract holder's ability to make annual withdrawals from the contract, regardless of the contract's accumulated value.

The quarterly rider charge is currently 0.2750% and will not exceed 0.5000%. The Data Page shows both amounts.

The guaranteed amount is available under two withdrawal options. Through the "Investment Back" withdrawal option which guarantees up to a 7% annual withdrawal until the benefit base reaches zero; and through the "For Life" withdrawal option, under which, after the oldest contract holder attains age 59 1/2, he or she can withdraw a certain amount annually until his or her death. (The contract holder can make withdrawals prior to age 59 1/2; however, it will decrease the guaranteed amount.) The amount available for withdrawal under the For Life withdrawal option depends on the percentage at which the For Life payments lock-in upon the first withdrawal. The Data Page shows the single-life and joint-life percentages.

The rider has a bonus feature whereby we may increase the benefit base by a certain percentage during the first ten contracts years. The bonus does not increase the accumulated value.

In addition, there is a "step up" feature under which we will automatically "step-up" the benefit base on the contract anniversary until the later of 10 years after issue or the oldest owner is 80 years old. The benefit base is "stepped up" to the contract accumulated value amount, if that amount is higher.

2. Licensed agents and brokers will sell form SF 912, Guaranteed Minimum Withdrawal Benefit Rider, to individuals who are between the ages of 45 and 80 (inclusive). Under this rider, as long as certain conditions are met, we guarantee the contract holder's ability to make annual withdrawals from the contract, regardless of the accumulated value.

The quarterly rider charge is currently 0.2375% and will not exceed 0.4125%. The Data Page shows both amounts.

SERFF Tracking Number: PRLC-128229963 State: Arkansas  
Filing Company: Principal Life Insurance Company State Tracking Number:  
Company Tracking Number: SF 906  
TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium  
Variable and Variable  
Product Name: Individual Flexible Premium Variable Deferred Annuity  
Project Name/Number: Principal Income Builder 3 and 10/SF 906 etal

The guaranteed amount is available through the "For Life" withdrawal option, under which, after the oldest contract holder attains age 59 1/2, he or she can withdrawal a certain amount annually until his or her death. (The contract holder can make withdrawals prior to age 59 1/2; however, it will decrease the guaranteed amount.) The amount available for withdrawal depends on the percentage at which the payments lock-in upon the first withdrawal. The Data Page shows the single-life and joint-life percentages.

The rider has a bonus feature whereby we may increase the benefit base by a certain percentage during the first three contracts years. The bonus does not increase the accumulated value.

In addition, there is a "step up" feature under which we will automatically "step-up" the benefit base on the contract anniversary until the later of 10 years after issue or the oldest owner is 80 years old. The benefit base is "stepped up" to the contract accumulated value amount, if that amount is higher.

In summary, the two riders are available at the same time. Applicants will elect one or the other rider, but not both. Rider form SF 906 provides for two withdrawal options ("for life" and "investment back"), has a higher rider charge, and a 10-year bonus feature. Rider form SF 912 provides for one withdrawal option ("for life"), has a lower rider charge, and a 3-year bonus feature.

3. We will issue the Data Page, form SF 749-5, with the contract. The Data Page reflects all of the client's "John Doe" information, the contract charges and limits, and the effective dates and charges for any riders issued with the contract.

The forms contain items shown within brackets to denote their variability. Explanations for all of the variable items are enclosed.

Since the forms in this submission pertain to an SEC-regulated product, no readability statement is enclosed.

Please contact me with any questions or comments you may have.

State Narrative:

## Company and Contact

### Filing Contact Information

Julie Gwennap, Sr Contract Analyst  
710 9th St  
Des Moines, IA 50309

Gwennap.Julie@principal.com  
800-543-4015 [Phone] 77892 [Ext]  
515-235-1953 [FAX]

### Filing Company Information

SERFF Tracking Number: PRLC-128229963 State: Arkansas

Filing Company: Principal Life Insurance Company State Tracking Number:

Company Tracking Number: SF 906

TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium  
Variable and Variable

Product Name: Individual Flexible Premium Variable Deferred Annuity

Project Name/Number: Principal Income Builder 3 and 10/SF 906 etal

Principal Life Insurance Company CoCode: 61271 State of Domicile: Iowa  
711 High Street Group Code: 332 Company Type:  
Des Moines, IA 50309 Group Name: State ID Number:  
(515) 246-7517 ext. [Phone] FEIN Number: 42-0127290

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## Filing Fees

Fee Required? Yes

Fee Amount: \$150.00

Retaliatory? No

Fee Explanation: 3 forms x \$50.00 = \$150.00

Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Principal Life Insurance Company	\$150.00	04/18/2012	58089203

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## Correspondence Summary

### Dispositions

<b>Status</b>	<b>Created By</b>	<b>Created On</b>	<b>Date Submitted</b>
Approved-Closed	Linda Bird	04/25/2012	04/25/2012

### Amendments

<b>Schedule</b>	<b>Schedule Item Name</b>	<b>Created By</b>	<b>Created On</b>	<b>Date Submitted</b>
Form	Guaranteed Minimum Withdrawal Benefit Rider	Julie Gwennap	04/24/2012	04/24/2012

<i>SERFF Tracking Number:</i>	<i>PRLC-128229963</i>	<i>State:</i>	<i>Arkansas</i>
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<i>TOI:</i>	<i>A02.11 Individual Annuities- Deferred Non-</i>	<i>Sub-TOI:</i>	<i>A02.11.002 Flexible Premium</i>
	<i>Variable and Variable</i>		
<i>Product Name:</i>	<i>Individual Flexible Premium Variable Deferred Annuity</i>		
<i>Project Name/Number:</i>	<i>Principal Income Builder 3 and 10/SF 906 etal</i>		

## Disposition

Disposition Date: 04/25/2012

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: PRLC-128229963 State: Arkansas

Filing Company: Principal Life Insurance Company State Tracking Number:

Company Tracking Number: SF 906

TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium  
Variable and Variable

Product Name: Individual Flexible Premium Variable Deferred Annuity

Project Name/Number: Principal Income Builder 3 and 10/SF 906 etal

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Acturial Memo		No
Supporting Document	Memorandum of Variability for Forms		Yes
Form (revised)	Guaranteed Minimum Withdrawal Benefit Rider		Yes
Form	Guaranteed Minimum Withdrawal Benefit Rider		Yes
Form	Guaranteed Minimum Withdrawal Benefit Rider		Yes
Form	Data Page		Yes

SERFF Tracking Number: PRLC-128229963 State: Arkansas  
 Filing Company: Principal Life Insurance Company State Tracking Number:  
 Company Tracking Number: SF 906  
 TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium  
 Variable and Variable  
 Product Name: Individual Flexible Premium Variable Deferred Annuity  
 Project Name/Number: Principal Income Builder 3 and 10/SF 906 etal

## Amendment Letter

Submitted Date: 04/24/2012

### Comments:

We found a typo in one of the Notes in the SPOUSAL CONTINUATION provision of SF 906. A corrected rider is attached.

### Changed Items:

#### Form Schedule Item Changes:

#### Form Schedule Item Changes:

Form Number	Form Type	Form Name	Action	Form Action Other	Previous Filing #	Replaced Form #	Readability Score	Attachments
SF 906	Policy/Contr	Guaranteed Initial act/Fraternal Minimum Certificate: Withdrawal Amendment, Benefit Rider Insert Page, Endorsement or Rider					0.000	SF 906.pdf



SERFF Tracking Number: PRLC-128229963 State: Arkansas

Filing Company: Principal Life Insurance Company State Tracking Number:

Company Tracking Number: SF 906

TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium  
Variable and Variable

Product Name: Individual Flexible Premium Variable Deferred Annuity

Project Name/Number: Principal Income Builder 3 and 10/SF 906 etal

## Form Schedule

### Lead Form Number: SF 906

Schedule Item Status	Form Number	Form Type Form Name	Action	Action Specific Data	Readability	Attachment
	SF 906	Policy/Cont Guaranteed ract/Fratern Minimum Withdrawal al Benefit Rider Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		0.000	SF 906.pdf
	SF 912	Policy/Cont Guaranteed ract/Fratern Minimum Withdrawal al Benefit Rider Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Initial		0.000	SF 912.pdf
	SF 749-5	Schedule Data Page Pages	Initial		0.000	SF 749-5.pdf

## GUARANTEED MINIMUM WITHDRAWAL BENEFIT RIDER

This rider is part of Your contract. All definitions, provisions, and exceptions of the contract apply to this rider unless specifically changed by this rider. This rider is available only if the Owner(s) and Covered Lives meet Our rider eligibility guidelines.

The rider effective date is shown on the Data Page. In the event of a conflict between any provision in this rider and the contract, the provisions of this rider will control. The initial charge for this rider is shown on the Data Page. You may terminate this rider any time after it has been in force for five full Contract Years.

### RIDER BENEFITS

This rider guarantees that You may take certain Withdrawals in each Contract Year regardless of Your contract's accumulated value, subject to the terms and conditions of this rider. The purpose of the guaranteed minimum withdrawal benefit provided under this rider is to provide security through available Withdrawals. The guaranteed minimum withdrawal benefit will terminate upon assignment or a change in ownership of the contract unless the new assignee or Owner meets the qualifications specified in the COVERED LIFE CHANGE provision of this rider.

### DEFINITIONS

**COVERED LIFE** or **COVERED LIVES** are the natural person(s) upon whose lives the Withdrawal Benefit Payments of this rider are based. There can be no more than two Covered Lives.

**EXCESS WITHDRAWAL** is the portion of a Withdrawal that exceeds the applicable Withdrawal Benefit Payment.

**OWNER** is the person, including any Joint Owner, who owns all rights and privileges of this rider. If the Owner is not a natural person, for purposes of this rider, the term "Owner" shall mean the Annuitant(s).

**REMAINING WITHDRAWAL BENEFIT BASE** (also referred to as For Life Remaining Withdrawal Benefit Base and Investment Back Remaining Withdrawal Benefit Base) is the total amount that is available for future Withdrawal Benefit Payments.

**SPOUSE** is the person recognized as the Owner's Spouse and eligible to make a spousal election under federal tax laws.

**WITHDRAWAL** is any partial surrender of the contract accumulated value (including Surrender Charges, if the partial surrender exceeds the Free Surrender Amount) and/or any partial annuitization of the contract.

**WITHDRAWAL BENEFIT BASE** (also referred to as For Life Withdrawal Benefit Base and Investment Back Withdrawal Benefit Base) is the amount on which a Withdrawal Benefit Payment is based.

**WITHDRAWAL BENEFIT PAYMENT** (also referred to as For Life Withdrawal Benefit Payment and Investment Back Benefit Payment) is any amount guaranteed to be available for Withdrawal each Contract Year.

### GUARANTEED MINIMUM WITHDRAWAL BENEFIT (GMWB)

This rider provides for two separate guaranteed minimum withdrawal options. You may take "Investment Back" Withdrawal Benefit Payments or "For Life" Withdrawal Benefit Payments.

1. **The "Investment Back"** Withdrawal Benefit Payment is available immediately and guarantees that You may take Withdrawals up to 7% annually of the Investment Back Withdrawal Benefit Base. The Investment Back withdrawal option continues until the Investment Back Remaining Withdrawal Benefit Base is zero.

2. The **"For Life"** Withdrawal Benefit Payment guarantees that You may take Withdrawals, up to an annual percentage of the For Life Withdrawal Benefit Base, on and after the Contract Anniversary following the date the oldest Owner attains age 59 ½. The annual percentage is based on "Single Life" unless You have elected "Joint Life" For Life Withdrawal Benefit Payments as described in FOR LIFE WITHDRAWAL OPTION - "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS. When calculating the For Life withdrawal option, all Withdrawals taken prior to the Contract Anniversary following the date the oldest Owner attains age 59 ½ are treated as Excess Withdrawals.

You are not required to take Withdrawals, except as described in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO. You may take Withdrawals when, and in any amount, You desire subject to the Minimum Unscheduled Partial Surrender amount shown on the Data Page. Anytime You take a Withdrawal, We adjust the Withdrawal Benefit Payment, the Withdrawal Benefit Base, and the Remaining Withdrawal Benefit Base associated with each of the For Life and Investment Back withdrawal options, as described in WITHDRAWAL BENEFIT PAYMENT CALCULATION, WITHDRAWAL BENEFIT BASE CALCULATION, and REMAINING WITHDRAWAL BENEFIT BASE CALCULATION. Withdrawals are deducted from the Investment Options in the same proportion as Your current premium payment allocations unless You direct otherwise.

Note: Although this rider does not restrict Your Withdrawal rights under the contract, You need to know that the amount of Withdrawals that exceed either, or both, the For Life or the Investment Back Withdrawal Benefit Payments have a negative effect on this rider's value as described in EFFECT OF EXCESS WITHDRAWALS ON RIDER BENEFITS.

#### **FOR LIFE WITHDRAWAL OPTION - "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS**

##### "Single Life" For Life Withdrawal Benefit Payments

The For Life Withdrawal Benefit Payments under this rider are automatically calculated as "Single Life", meaning based on one Covered Life. To be eligible for "Single Life" Withdrawal Benefit Payments, the Covered Life:

1. must be either:
  - a. the Owner if there is only one Owner; or
  - b. the youngest Joint Owner if there are Joint Owners; and
2. must meet Our rider eligibility guidelines on the date named as a Covered Life.

"Single Life" Withdrawal Benefit Payments continue until the earlier of:

1. the death of the first Owner to die; or
2. the For Life Withdrawal Benefit Base is zero.

The "Single Life" Withdrawal Benefit Payment percentage is locked in as of the date of Your first Withdrawal and is set out in the table on the Data Page.

##### "Joint Life" For Life Withdrawal Benefit Payments

Anytime on or before Your first Withdrawal, You may elect to take For Life Withdrawal Benefit Payments on a "Joint Life" basis, meaning based on two Covered Lives. You may only elect "Joint Life" Withdrawal Benefit Payments if there are two eligible Covered Lives. The "Joint Life" election is not available if the Owner is not a natural person.

In order to be eligible for "Joint Life" Withdrawal Benefit Payments, the Covered Lives:

1. must be either:
  - a. if there is only one Owner, the Owner and the Owner's Spouse, provided the Spouse is named as a primary beneficiary; or
  - b. the Joint Owners, provided the Joint Owners are each other's Spouse; and
2. must meet Our rider eligibility guidelines on the date named as Covered Lives.

"Joint Life" Withdrawal Benefit Payments continue until the earlier of:

1. the death of the last Covered Life to die, or
2. the For Life Withdrawal Benefit Base is zero.

The "Joint Life" Withdrawal Benefit Payment percentage is locked in as of the date of Your first Withdrawal and is set out in the table on the Data Page.

Note: The For Life Withdrawal Benefit Payment will always be based on "Single Life" unless You notify us that You are electing "Joint Life" Withdrawal Benefit Payments and You are eligible to make a "Joint Life" election. At the time You take Your first Withdrawal, regardless of whether that Withdrawal is deemed an Investment Back Withdrawal Benefit Payment or a For Life Withdrawal Benefit Payment, Your For Life Withdrawal Benefit Payment is locked in as either "Single Life" or "Joint Life", whichever is applicable. You may not change Your For Life Withdrawal Benefit Payment election after You have taken a Withdrawal.

#### **EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO**

If Your contract accumulated value is zero and rider benefits are available:

1. You must elect either the For Life withdrawal option (if the For Life Withdrawal Benefit Base is greater than zero) or the Investment Back withdrawal option (if the Investment Back Remaining Withdrawal Benefit Base is greater than zero). If You elect the For Life withdrawal option, the For Life Withdrawal Benefit Payment will be based on "Single Life" or "Joint Life" as described in FOR LIFE WITHDRAWAL OPTION – "SINGLE LIFE AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS. You may elect the frequency of Your Withdrawal Benefit Payment on a schedule that is acceptable to Us.
2. After You elect either the For Life or the Investment Back withdrawal option, You will continue to receive the applicable Withdrawal Benefit Payment under this rider according to the rider terms, but all other rights and benefits under this rider and the contract, including death benefits and the ability to make additional premium payments, will cease.

#### **WITHDRAWAL BENEFIT PAYMENT CALCULATION**

We calculate the Withdrawal Benefit Payments on the rider effective date and on each Contract Anniversary thereafter.

The Investment Back Withdrawal Benefit Payment is calculated as 7% of the Investment Back Withdrawal Benefit Base.

The For Life Withdrawal Benefit Payment is calculated as a fixed percentage of the For Life Withdrawal Benefit Base. The For Life Withdrawal Benefit Payment percentage is locked in as of the date of Your first Withdrawal regardless of whether that Withdrawal is deemed an Investment Back Withdrawal Benefit Payment or a For Life Withdrawal Benefit Payment as set out in the tables on the Data Page, and is automatically based on "Single Life" unless You are eligible and elect "Joint Life".

You are not required to take a Withdrawal of any or all of a Withdrawal Benefit Payment in a Contract Year. If You do not take an available Withdrawal Benefit Payment in a Contract Year, that remaining Withdrawal Benefit Payment does not carry over to the next Contract Year.

#### **WITHDRAWAL BENEFIT BASE CALCULATION**

We calculate the Withdrawal Benefit Bases on the rider effective date and on each Contract Anniversary this rider is in force. If the Contract Date and the rider effective date are the same, each Withdrawal Benefit Base equals premium payments made on that date. If the Contract Date and the rider effective date are different, each Withdrawal Benefit Base equals the contract accumulated value on the rider effective date. Additional premium payments made during any Contract Year plus any applicable GMWB Bonus will increase the Withdrawal Benefit Bases on the next Contract Anniversary.

Withdrawals during a Contract Year that are less than or equal to a Withdrawal Benefit Payment will not decrease the applicable Withdrawal Benefit Base. Excess Withdrawals will reduce the applicable Withdrawal Benefit Base in an amount equal to the greater of:

1. the Excess Withdrawals; and
2. the result of (a. divided by b.), multiplied by c., where:
  - a. is the amount withdrawn in excess of the Withdrawal Benefit Payment remaining prior to the Withdrawal;
  - b. is the contract accumulated value after the Withdrawal Benefit Payment is deducted, but prior to the Excess Withdrawal; and
  - c. is the Withdrawal Benefit Base prior to the adjustment for the Excess Withdrawal.

Note: The Withdrawal Benefit Base cannot be withdrawn in a lump sum and is not payable as a death benefit.

#### **REMAINING WITHDRAWAL BENEFIT BASE CALCULATION**

We calculate the Remaining Withdrawal Benefit Bases on the rider effective date and on each day that any additional premium payment or Withdrawal is taken. If the Contract Date and the rider effective date are the same, each Remaining Withdrawal Benefit Base equals premium payments made on that date. If the Contract Date and the rider effective date are different, each Remaining Withdrawal Benefit Base equals the contract accumulated value on the rider effective date.

Premium payments increase the Remaining Withdrawal Benefit Bases.

Any Withdrawal during a Contract Year decreases the Remaining Withdrawal Benefit Bases. A Withdrawal that is not an Excess Withdrawal will be deducted from each Remaining Withdrawal Benefit Base. Excess Withdrawals will reduce the applicable Remaining Withdrawal Benefit Base in an amount equal to the greater of:

1. the Excess Withdrawals; and
2. the result of (a. divided by b.), multiplied by c., where:
  - a. is the amount withdrawn in excess of the Withdrawal Benefit Payment remaining prior to the Withdrawal;
  - b. is the contract accumulated value after the Withdrawal Benefit Payment is deducted, but prior to the Excess Withdrawal; and
  - c. is the Remaining Withdrawal Benefit Base after the Withdrawal Benefit Payment is deducted, but prior to the adjustment for the Excess Withdrawal.

Note: The Remaining Withdrawal Benefit Base cannot be withdrawn in a lump sum and is not payable as a death benefit.

## GMWB BONUS

We may credit a GMWB Bonus to the Withdrawal Benefit Bases, provided that You have not taken a Withdrawal in any preceding Contract Year during the life of this rider. The GMWB Bonus, if any, is shown on the Data Page.

Note: The GMWB Bonus is used only for purposes of calculating the Withdrawal Benefit Bases. It is not included in either Your contract accumulated value or the Remaining Withdrawal Benefit Bases.

## ANNUAL GMWB STEP-UP

On each Contract Anniversary following the rider effective date, You are eligible for an automatic increase ("Step-Up") to the Withdrawal Benefit Bases if the following requirements are satisfied:

1. the Contract Anniversary occurs before the later of:
  - a. the Contract Anniversary following the date the oldest Owner attains age 80; or
  - b. ten years after the rider effective date;
2. You have not declined any increases in the rider charge; and
3. You have not fully annuitized Your contract.

On each Contract Anniversary following the rider effective date, You are eligible for a Step-Up to the Remaining Withdrawal Benefit Bases if the following requirements are satisfied:

1. the Contract Anniversary occurs before the later of:
  - a. the Contract Anniversary following the date the oldest Owner attains age 80; or
  - b. ten years after the rider effective date;
2. You have not declined any increases in the rider charge;
3. You have not fully annuitized Your contract; and
4. the Remaining Withdrawal Benefit Base has not reduced to zero during the life of this rider.

Note: Once a Remaining Withdrawal Benefit Base has reduced to zero, You are no longer eligible for any future Step-Ups of that Remaining Withdrawal Benefit Base, even if You make additional premium payments.

So long as You remain eligible for the Step-Up feature of this rider, You will be charged the then current rider charge as described in RIDER CHARGE. You may avoid an increase in Your rider charge by declining the rider charge increase before the rider charge increase becomes effective. If You decline the increased charge, You are no longer eligible for the Step-Up feature. The feature may not be added later and You will not receive future Step-Ups.

On each Contract Anniversary following the rider effective date, We will compare the contract accumulated value on the Contract Anniversary to the applicable Withdrawal Benefit Base. If the contract accumulated value is greater than the:

1. For Life Withdrawal Benefit Base, We will:
  - a. Step-Up the For Life Withdrawal Benefit Base to the contract accumulated value if You are eligible for that Step-Up.
  - b. Step-Up the For Life Remaining Withdrawal Benefit Base to the contract accumulated value if You are eligible for that Step-Up.

2. Investment Back Withdrawal Benefit Base, We will:
  - a. Step-Up the Investment Back Withdrawal Benefit Base to the contract accumulated value if You are eligible for that Step-Up.
  - b. Step-Up the Investment Back Remaining Withdrawal Benefit Base to the contract accumulated value if You are eligible for that Step-Up.

## **EFFECT OF EXCESS WITHDRAWALS ON RIDER BENEFITS**

Any Withdrawal, or portion thereof, when aggregated with all prior Withdrawals during that Contract Year, that exceeds the applicable Withdrawal Benefit Payment is an Excess Withdrawal. For example, the Investment Back withdrawal option permits larger payment to You than the For Life withdrawal option. As a result, if You take a Withdrawal in an amount permitted under the Investment Back withdrawal option, that Withdrawal will be an Excess Withdrawal to the extent it exceeds the applicable For Life Withdrawal Benefit Payment. In addition, all Withdrawals taken prior to the Contract Anniversary following the date the oldest Owner attains age 59 1/2 are treated as Excess Withdrawals when calculating the For Life withdrawal option.

**Excess Withdrawals under a withdrawal option will reduce the applicable Withdrawal Benefit Base and Remaining Withdrawal Benefit Base. This reduction may be greater than the dollar amount of the Excess Withdrawal when the contract accumulated value is less than each of the applicable Withdrawal Benefit Bases and Remaining Withdrawal Benefit Bases.** For a description of how Excess Withdrawals impact the Withdrawal Benefit Bases and Remaining Withdrawal Benefit Bases, see WITHDRAWAL BENEFIT BASE CALCULATION and REMAINING WITHDRAWAL BENEFIT BASE CALCULATION.

## **REQUIRED MINIMUM DISTRIBUTIONS (RMD)**

Tax-qualified contracts are subject to certain federal tax rules requiring that RMD be taken on a calendar year basis (as opposed to a contract year basis), usually beginning after age 70½.

If You are eligible for and enroll in our RMD Program for GMWB, as discussed below, a Withdrawal taken to satisfy RMD for the contract (an "RMD amount") that exceeds the applicable Withdrawal Benefit Payment for that Contract Year will not be deemed an Excess Withdrawal.

RMD Program: Eligibility in the RMD Program for GMWB is determined by satisfaction of the following requirements:

1. the amount required to be distributed each calendar year for purposes of satisfying the RMD rules of the Internal Revenue Code is based only on this contract (the "RMD amount"); and
2. You have elected scheduled Withdrawal Payments available under the RMD Program.

Note: Although enrollment in the RMD Program for GMWB does not prevent You from taking an unscheduled Withdrawal, an unscheduled Withdrawal will cause You to lose the RMD Program protections for the remainder of the Contract Year. This means that any Withdrawals (scheduled or unscheduled) during the remainder of the Contract Year that exceed applicable Withdrawal Benefit Payments will be treated as Excess Withdrawals, even if the purpose is to take the RMD amount. You will automatically be re-enrolled in the RMD Program for GMWB on Your next Contract Anniversary.

We reserve the right to modify or eliminate the RMD Program for GMWB; for example, if there is a change to the Internal Revenue Code or Internal Revenue Service rules or interpretations relating to RMD, including the issuance of relevant IRS guidance. We will send You at least 30 days advance Notice of any change in or elimination of the RMD Program for GMWB. Any modifications or elimination of the RMD Program for GMWB will take effect after Notice. If We exercise Our right to modify or eliminate the RMD Program for GMWB, then any scheduled or unscheduled Withdrawal in excess of a Withdrawal Benefit Payment after the effective date of the program's modification or elimination will be deemed an Excess Withdrawal.

## **RIDER CHARGE**

There is an additional charge for this rider. The rider charge is computed quarterly based on the Investment Back Withdrawal Benefit Base and is deducted from Your contract accumulated value at the end of each calendar quarter. The rider charge is deducted through the redemption of units from Your Separate Account Division(s) accumulated value and/or withdrawal from Your Fixed Account(s) Value in the same proportion as the surrender allocation percentages. If the surrender allocation percentages include the Fixed Account(s), We will not deduct charges from the Fixed Account(s) that reduce the credited interest amount below the guaranteed minimum interest amount. Any rider charges We cannot deduct from the Fixed Account(s) are pro-rated among Your remaining Separate Account Division(s) included in the surrender allocation percentages. If this rider is issued after the beginning of a calendar quarter, We will pro-rate the rider charge to reflect the number of days the rider is in effect during the calendar quarter.

The initial rider charge is shown on the Data Page. We may increase the rider charge, but We guarantee that the increased charge will not exceed the maximum rider charge shown on the Data Page. Rider charge increases, if any, will automatically apply unless We receive Notice from You declining the increase prior to the effective date of the rider charge increase.

Note: If You decline an increase in the rider charge, You will no longer be eligible for future Step-Ups and Your current rider charge will remain in effect for the remaining life of this rider.

If this rider is terminated, We will pro-rate the rider charge to reflect the number of days that this rider was in effect during the calendar quarter. There will be no further deductions for the rider charge.

## **INVESTMENT OPTION RESTRICTIONS**

While this rider is in effect, the Investment Options You may select are limited to the allocation models and/or Divisions that We designate ("GMWB Investment Options"). We may modify the GMWB Investment Options available with this rider from time to time.

You may select only one GMWB Investment Option at a time and additional premiums will be applied in the same proportion as Your current premium payment allocations. You may transfer from one GMWB Investment Option to another by providing Us Notice.

If You select a GMWB Investment Option which is an allocation model:

1. Your allocation percentages must match the percentages of the model You have selected; and
2. You direct us to automatically rebalance Your contract accumulated value on each calendar quarter to match Your selected model.

The Owner will be notified in writing at least 30 days (or longer if required by state and/or federal regulatory authorities) prior to any change in Investment Option restrictions.

## **MAXIMUM TOTAL PREMIUM CONTRIBUTIONS**

The Maximum Total Premium Contributions You may make during the lifetime of the contract are shown on the Data Page. We reserve the right to treat all deferred variable annuity contracts issued by Us to You and/or Your Spouse with a guaranteed minimum withdrawal benefit rider attached as one contract for purposes of determining the Maximum Total Premium Contributions. We reserve the right to limit additional premium payments while this rider is in force.



## **EFFECT OF REACHING THE MAXIMUM ANNUITIZATION DATE**

On or before the maximum Annuitization Date, You must elect one of the contract or GMWB rider payment options described below.

1. Contract payment options:
  - a. payments resulting from applying the contract accumulated value to an annuity benefit payment option, or
  - b. payment of the contract accumulated value as a single payment.
2. GMWB rider payment options:
  - a. You may elect the Investment Back withdrawal option and receive fixed scheduled payments each Contract Year in the amount of the Investment Back Withdrawal Benefit Payment, until the Investment Back Remaining Withdrawal Benefit Base is zero.
  - b. You may elect the For Life withdrawal option and receive fixed scheduled payments each Contract Year in the amount of the For Life Withdrawal Benefit Payment, until the later of
    - i. the date the For Life Remaining Withdrawal Benefit Base is zero; or
    - ii. the date of death of the last Covered Life.

If there is any Remaining Withdrawal Benefit Base at the time of Your death (death of the first Annuitant to die if the Owner is not a natural person), We will continue payments as described in EFFECT ON THE RIDER BENEFITS AT DEATH.

We will send You written Notice at least 30 days prior to the maximum Annuitization Date and ask You to select one of the available payment options listed above. If We have not received Your election as of the maximum Annuitization Date, We will automatically apply Your contract accumulated value to an annuity benefit payment option as described in the contract.

## **EFFECT ON THE RIDER BENEFITS AT DEATH**

If You die when the contract accumulated value is greater than zero:

1. If You are the only Owner, upon Your death, Your primary beneficiary may elect one of the following:
  - a. receive the death benefit under the contract;
  - b. receive the Investment Back Remaining Withdrawal Benefit Base as a series of payments in an amount and frequency acceptable to Us; or
  - c. if the primary beneficiary is Your Spouse, Your Spouse may continue the contract with or without this rider as set forth in SPOUSAL CONTINUATION.
2. If there are Joint Owners, upon the death of the first Joint Owner to die, the surviving Joint Owner may elect one of the following:
  - a. receive the death benefit under the contract,
  - b. receive the Investment Back Remaining Withdrawal Benefit Base as a series of payments in an amount and frequency acceptable to Us; or
  - c. if the surviving Joint Owner is Your Spouse, Your Spouse may continue the contract with or without this rider as set forth in SPOUSAL CONTINUATION.

If You die after the contract accumulated value has reduced to zero:

1. If You are the only Owner, upon Your death, We will pay Your primary beneficiary:
  - a. any For Life Remaining Withdrawal Benefit Base as a series of payments, If You elected the For Life withdrawal option as provided in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO.
  - b. any Investment Back Remaining Withdrawal Benefit Base as a series of payments, If You elected the Investment Back withdrawal option as provided in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO.

2. If there are Joint Owners, upon the death of the first Joint Owner to die, We will pay the surviving Joint Owner:
  - a. any For Life Remaining Withdrawal Benefit Base as a series of payments, If You elected the For Life withdrawal option as provided in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO.
  - b. any Investment Back Remaining Withdrawal Benefit Base as a series of payments, If You elected the Investment Back withdrawal option as provided in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO.

## **SPOUSAL CONTINUATION**

If You die while this rider is attached to Your contract, Your Spouse can NOT continue the contract with this rider if any of the following apply:

1. The contract accumulated value is zero.
2. The contract and this rider have been previously continued.
3. You were the sole Owner and Your Spouse is not a primary beneficiary.
4. There were Joint Owners and Your Spouse is not the surviving Joint Owner.
5. Your Spouse does not meet the minimum age requirement of Our rider eligibility guidelines on the date of the continuation election.
6. Withdrawals have been taken and You locked in "Single Life" For Life Withdrawal Benefit Payments. As explained in FOR LIFE WITHDRAWAL OPTION - "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS, "Single Life" Withdrawals cease upon the death of the first Owner to die.
7. Withdrawals have been taken and You locked in "Joint Life" For Life Withdrawal Benefit Payments and Your Spouse is not an eligible Covered Life. As explained in COVERED LIFE CHANGE, after "Joint Life" Withdrawals have been taken, no one, including Your Spouse, may become a new Covered Life.

Note: Although spousal continuation may be available under the contract for a subsequent Spouse, this rider may only be continued once.

Note: If Your Spouse is not eligible to continue this rider, or elects not to continue this rider, this rider and all rights, benefits and charges under the rider will terminate.

If none of the statements above apply and Your Spouse elects to continue the contract with the rider:

If Withdrawals have not been taken:

1. For Life Withdrawal Benefit Payments will be calculated as "Single Life".
2. You will be removed as a Covered Life and Your Spouse will be the sole Covered Life.
3. Your Spouse can NOT add a new Covered Life or elect "Joint Life" For Life Withdrawal Benefit Payments.
4. The For Life Withdrawal Benefit Payment percentage will be based on Your Spouse's age and will lock in at the "Single Life" percentage applicable on the date of Your Spouse's first Withdrawal.

5. For Life Withdrawal Benefit Payments will continue to be available until the death of Your Spouse.
6. The Investment Back withdrawal option will continue to be available until the Investment Back Remaining Withdrawal benefit base is zero.
7. All other provisions of this rider will continue as in effect on the date of Your death.

If Withdrawals have been taken and You have locked in "Single Life" Withdrawal Benefit Payments:

1. The For Life withdrawal option terminates upon Your death and is not available to Your Spouse. You will be removed as a Covered Life and Your Spouse is not an eligible Covered Life.
2. The Investment Back withdrawal option will continue to be available until the Investment Back Remaining Withdrawal benefit base is zero.
3. All other provisions of this rider will continue as in effect on the date of Your death.

If Withdrawals have been taken and You have locked in "Joint Life" Withdrawal Benefit Payments:

1. If Your Spouse is an eligible Covered Life:
  - a. The For Life Withdrawal Benefit Payment percentage will continue to be based on the original Covered Lives.
  - b. Your Spouse can NOT add a new Covered Life.
  - c. For Life Withdrawal Benefit Payments will continue to be available until the death of Your Spouse.
  - d. The Investment Back withdrawal option will continue to be available until the Investment Back Remaining Withdrawal benefit base is zero.
2. If Your Spouse is not an eligible Covered Life:
  - a. The For Life withdrawal option terminates upon Your death and is not available to Your Spouse. You will be removed as a Covered Life and Your Spouse is not an eligible Covered Life.
  - b. The Investment Back withdrawal option will continue to be available until the Investment Back Remaining Withdrawal benefit base is zero.
3. All other provisions of this rider will continue as in effect on the date of Your death.

#### **COVERED LIFE CHANGE**

Any ownership, beneficiary designation or other contract or rider change before the Annuitization Date which would cause a change in the Covered Life (a "Change") will result in termination of this rider, except for the following permissible Changes.

1. Spousal continuation of this rider as described above in SPOUSAL CONTINUATION.
2. If Withdrawals have not been taken and You have not previously elected to continue this rider as provided in SPOUSAL CONTINUATION:
  - a. You may add a Joint Owner or primary beneficiary as a Covered Life, provided that the new Joint Owner or primary beneficiary is an eligible Covered Life as set forth in FOR LIFE WITHDRAWAL OPTION - "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS.
  - b. You may remove a Joint Owner or primary beneficiary as a Covered Life.
  - c. The Withdrawal Benefit Payment percentage will be calculated based on the age of the Covered Lives and will lock in at the percentage applicable on the date of Your first Withdrawal.

3. If Withdrawals have been taken and You have locked in "Single Life" For Life Withdrawal Benefit Payments:
  - a. You may remove a Joint Owner as a Covered Life and For Life Withdrawal Benefit Payments will cease upon Your death.
  - b. You may add a primary beneficiary to Your contract; however, You may not add a primary beneficiary as a Covered Life for purposes of this rider.
  - c. The Withdrawal Benefit Payment percentage will remain locked at the percentage applicable on the date of Your first Withdrawal and will not be reset to reflect the removal of the Covered Life.
4. If Withdrawals have been taken and You have locked in "Joint Life" For Life Withdrawal Benefit Payments:
  - a. You may remove a Joint Owner or primary beneficiary as a Covered Life and For Life Withdrawal Benefit Payments will cease upon Your death.
  - b. You may add a primary beneficiary to Your contract; however, You may not add a primary beneficiary as a Covered Life for purposes of this rider.
  - c. The For Life Withdrawal Benefit Payment percentage will remain locked at the percentage applicable on the date of Your first Withdrawal and will not be reset to reflect the removal of the Covered Life.
5. If You have previously elected to continue the Rider as provided in SPOUSAL CONTINUATION, You may add a primary beneficiary to Your contract; however, You may not add a primary beneficiary as a Covered Life for purposes of this rider.

No Change is effective until approved by Us in writing. Upon Our approval, the Change is effective as of the date You signed the Notice requesting the Change.

An assignment of the contract or this rider shall be deemed a request for a Change. If the Change is not one of the above permissible Changes, this rider will be terminated as of the date of the assignment.

#### **EFFECT OF DIVORCE ON THE RIDER**

Generally, in the event of a divorce, the Spouse who retains ownership of the contract will continue to be entitled to all rights and benefits of this rider while the former Spouse will no longer have any such rights or be entitled to any benefits under this rider. If You take a Withdrawal to satisfy a court order to pay a portion of the contract to Your former Spouse, any portion of such Withdrawal that exceeds the available Withdrawal Benefit Payments shall be an Excess Withdrawal under this rider.

#### **TERMINATION**

You may terminate this rider anytime after this rider has been in force for five full Contract Years.

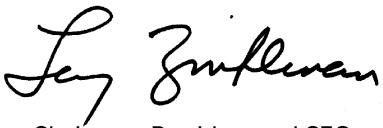
We will terminate this rider when any of the following occurs:

1. the contract terminates;
2. You fully annuitize the contract;
3. the Investment Back Remaining Withdrawal Benefit Base is zero and the For Life Withdrawal Benefit Base is zero;
4. the Investment Back Remaining Withdrawal Benefit Base is zero and there are no eligible Covered Lives; or
5. there is a Change of Covered Life or Owner, except as permitted in COVERED LIFE CHANGE; or
6. Your surviving Spouse continues the contract without this rider.

## REINSTATEMENT

If this rider terminates for any reason other than Your full surrender of Your contract, this rider may not be reinstated.

If You surrender Your contract with this rider attached and the contract is later reinstated, this rider also must be reinstated. If the contract and rider are reinstated, this rider will be reinstated as of the date of the termination. At the time this rider is reinstated, We will deduct rider charges scheduled during the period of termination and make any other adjustments necessary to reflect any changes in the amount reinstated and the contract accumulated value as of the date of termination.

{  }

Chairman, President and CEO

{ Principal Life Insurance Company  
Des Moines, Iowa 50392-0001 }

## GUARANTEED MINIMUM WITHDRAWAL BENEFIT RIDER

This rider is part of Your contract. All definitions, provisions, and exceptions of the contract apply to this rider unless specifically changed by this rider. This rider is available only if the Owner(s) and Covered Lives meet Our rider eligibility guidelines.

The rider effective date is shown on the Data Page. In the event of a conflict between any provision in this rider and the contract, the provisions of this rider will control. The initial charge for this rider is shown on the Data Page. You may terminate this rider any time after it has been in force for five full Contract Years.

### RIDER BENEFITS

This rider guarantees that You may take certain Withdrawals in each Contract Year for life, regardless of Your contract's accumulated value, subject to the terms and conditions of this rider. The purpose of the guaranteed minimum withdrawal benefit provided under this rider is to provide security through available Withdrawals. The guaranteed minimum withdrawal benefit will terminate upon assignment or a change in ownership of the contract unless the new assignee or Owner meets the qualifications specified in the COVERED LIFE CHANGE provision of this rider.

### DEFINITIONS

**COVERED LIFE** or **COVERED LIVES** are the natural person(s) upon whose lives the Withdrawal Benefit Payments of this rider are based. There can be no more than two Covered Lives.

**EXCESS WITHDRAWAL** is the portion of a Withdrawal that exceeds the Withdrawal Benefit Payment.

**OWNER** is the person, including any Joint Owner, who owns all rights and privileges of this rider. If the Owner is not a natural person, for purposes of this rider, the term "Owner" shall mean the Annuitant(s).

**SPOUSE** is the person recognized as the Owner's Spouse and eligible to make a spousal election under federal tax laws.

**WITHDRAWAL** is any partial surrender of the contract accumulated value (including Surrender Charges, if the partial surrender exceeds the Free Surrender Amount) and/or any partial annuitization of the contract.

**WITHDRAWAL BENEFIT BASE** (also referred to as For Life Withdrawal Benefit Base) is the amount on which a Withdrawal Benefit Payment is based.

**WITHDRAWAL BENEFIT PAYMENT** (also referred to as For Life Withdrawal Benefit Payment) is any amount guaranteed to be available for Withdrawal each Contract Year.

### GUARANTEED MINIMUM WITHDRAWAL BENEFIT (GMWB)

This rider provides for guaranteed minimum Withdrawal Benefit Payments, up to an annual percentage of the For Life Withdrawal Benefit Base, on and after the Contract Anniversary following the date the oldest Owner attains age 59 ½. The annual percentage is based on "Single Life" unless You have elected "Joint Life" Withdrawal Benefit Payments as described in "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS. When calculating the For Life Withdrawal Benefit Base, all Withdrawals taken prior to the Contract Anniversary following the date the oldest Owner attains age 59 ½ are treated as Excess Withdrawals.

You are not required to take Withdrawals, except as described in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO. You may take Withdrawals when, and in any amount, You desire subject to the Minimum Unscheduled Partial Surrender amount shown on the Data Page. Anytime You take a Withdrawal, We adjust the For Life Withdrawal Benefit Payment and the For Life Withdrawal Benefit Base, as described in WITHDRAWAL BENEFIT PAYMENT CALCULATION and WITHDRAWAL BENEFIT BASE CALCULATION. Withdrawals are deducted from the Investment Options in the same proportion as Your current premium payment allocations unless You direct otherwise.

Note: Although this rider does not restrict Your Withdrawal rights under the contract, You need to know that the amount of Withdrawals that exceed the Withdrawal Benefit Payment have a negative effect on this rider's value as described in EFFECT OF EXCESS WITHDRAWALS ON RIDER BENEFITS.

## **"SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS**

### **"Single Life" For Life Withdrawal Benefit Payments**

The Withdrawal Benefit Payments under this rider are automatically calculated as "Single Life", meaning based on one Covered Life. To be eligible for "Single Life" Withdrawal Benefit Payments, the Covered Life:

1. must be either:
  - a. the Owner if there is only one Owner; or
  - b. the youngest Joint Owner if there are Joint Owners; and
2. must meet Our rider eligibility guidelines on the date named as a Covered Life.

"Single Life" Withdrawal Benefit Payments continue until the earlier of:

1. the death of the first Owner to die; or
2. the Withdrawal Benefit Base is zero.

The "Single Life" Withdrawal Benefit Payment percentage is locked in as of the date of Your first Withdrawal and is set out in the table on the Data Page.

### **"Joint Life" For Life Withdrawal Benefit Payments**

Anytime on or before Your first Withdrawal, You may elect to take Withdrawal Benefit Payments on a "Joint Life" basis, meaning based on two Covered Lives. You may only elect "Joint Life" Withdrawal Benefit Payments if there are two eligible Covered Lives. The "Joint Life" election is not available if the Owner is not a natural person.

In order to be eligible for "Joint Life" Withdrawal Benefit Payments, the Covered Lives:

1. must be either:
  - a. if there is only one Owner, the Owner and the Owner's Spouse, provided the Spouse is named as a primary beneficiary; or
  - b. the Joint Owners, provided the Joint Owners are each other's Spouse; and
2. must meet Our rider eligibility guidelines on the date named as Covered Lives.

"Joint Life" Withdrawal Benefit Payments continue until the earlier of:

1. the death of the last Covered Life to die, or
2. the Withdrawal Benefit Base is zero.

The "Joint Life" Withdrawal Benefit Payment percentage is locked in as of the date of Your first Withdrawal and is set out in the table on the Data Page.

Note: The Withdrawal Benefit Payment will always be based on "Single Life" unless You notify us that You are electing "Joint Life" Withdrawal Benefit Payments and You are eligible to make a "Joint Life" election. At the time You take Your first Withdrawal, Your Withdrawal Benefit Payment is locked in as either "Single Life" or "Joint Life", whichever is applicable. You may not change Your Withdrawal Benefit Payment election after You have taken a Withdrawal.

## **EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO**

If Your contract accumulated value is zero and rider benefits are available:

1. You will receive "Single Life" or "Joint Life" For Life Withdrawal Benefit Payments as described in "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS. You may elect the frequency of Your Withdrawal Benefit Payment on a schedule that is acceptable to Us.
2. You will continue to receive the Withdrawal Benefit Payment under this rider according to the rider terms, but all other rights and benefits under this rider and the contract, including death benefits and the ability to make additional premium payments, will cease.

## **WITHDRAWAL BENEFIT PAYMENT CALCULATION**

We calculate the Withdrawal Benefit Payment on the rider effective date and on each Contract Anniversary thereafter.

The Withdrawal Benefit Payment is calculated as a fixed percentage of the Withdrawal Benefit Base. The Withdrawal Benefit Payment percentage is locked in as of the date of Your first Withdrawal as set out in the tables on the Data Page, and is automatically based on "Single Life" unless You are eligible and elect "Joint Life".

You are not required to take a Withdrawal of any or all of a Withdrawal Benefit Payment in a Contract Year. If You do not take an available Withdrawal Benefit Payment in a Contract Year, that remaining Withdrawal Benefit Payment does not carry over to the next Contract Year.

## **WITHDRAWAL BENEFIT BASE CALCULATION**

We calculate the Withdrawal Benefit Base on the rider effective date and on each Contract Anniversary this rider is in force. If the Contract Date and the rider effective date are the same, the Withdrawal Benefit Base equals premium payments made on that date. If the Contract Date and the rider effective date are different, the Withdrawal Benefit Base equals the contract accumulated value on the rider effective date. Additional premium payments made during any Contract Year plus any applicable GMWB Bonus will increase the Withdrawal Benefit Base on the next Contract Anniversary.

Withdrawals during a Contract Year that are less than or equal to a Withdrawal Benefit Payment will not decrease the Withdrawal Benefit Base. Excess Withdrawals will reduce the Withdrawal Benefit Base in an amount equal to the greater of:

1. the Excess Withdrawals; and
2. the result of (a. divided by b.), multiplied by c., where:
  - a. is the amount withdrawn in excess of the Withdrawal Benefit Payment remaining prior to the Withdrawal;
  - b. is the contract accumulated value after the Withdrawal Benefit Payment is deducted, but prior to the Excess Withdrawal; and
  - c. is the Withdrawal Benefit Base prior to the adjustment for the Excess Withdrawal.

Note: The Withdrawal Benefit Base cannot be withdrawn in a lump sum and is not payable as a death benefit.



## GMWB BONUS

We may credit a GMWB Bonus to the Withdrawal Benefit Base, provided that You have not taken a Withdrawal in any preceding Contract Year during the life of this rider. The GMWB Bonus, if any, is shown on the Data Page.

Note: The GMWB Bonus is used only for purposes of calculating the Withdrawal Benefit Base. It is not included in Your contract accumulated value.

## ANNUAL GMWB STEP-UP

On each Contract Anniversary following the rider effective date, We will compare the contract accumulated value on the Contract Anniversary to the Withdrawal Benefit Base. If the contract accumulated value is greater than the Withdrawal Benefit Base, We will automatically increase ("Step-Up") the Withdrawal Benefit Base to the contract accumulated value if You are eligible for that Step-Up.

You are eligible for a Step-Up to the Withdrawal Benefit Base if the following requirements are satisfied:

1. the Contract Anniversary occurs before the later of:
  - a. the Contract Anniversary following the date the oldest Owner attains age 80; or
  - b. ten years after the rider effective date;
2. You have not declined any increases in the rider charge; and
3. You have not fully annuitized Your contract.

So long as You remain eligible for the Step-Up feature of this rider, You will be charged the then current rider charge as described in RIDER CHARGE. You may avoid an increase in Your rider charge by declining the rider charge increase before the rider charge increase becomes effective. If You decline the increased charge, You are no longer eligible for the Step-Up feature. The feature may not be added later and You will not receive future Step-Ups.

## EFFECT OF EXCESS WITHDRAWALS ON RIDER BENEFITS

Any Withdrawal, or portion thereof, when aggregated with all prior Withdrawals during that Contract Year, that exceeds the Withdrawal Benefit Payment is an Excess Withdrawal. As stated previously in GUARANTEED MINIMUM WITHDRAWAL BENEFIT (GMWB), all Withdrawals taken prior to the Contract Anniversary following the date the oldest Owner attains age 59 ½ are treated as Excess Withdrawals.

**Excess Withdrawals will reduce the Withdrawal Benefit Base. This reduction may be greater than the dollar amount of the Excess Withdrawal when the contract accumulated value is less than the Withdrawal Benefit Base.** For a description of how Excess Withdrawals impact the Withdrawal Benefit Base, see WITHDRAWAL BENEFIT BASE CALCULATION.

## REQUIRED MINIMUM DISTRIBUTIONS (RMD)

Tax-qualified contracts are subject to certain federal tax rules requiring that RMD be taken on a calendar year basis (as opposed to a contract year basis), usually beginning after age 70½.

If You are eligible for and enroll in our RMD Program for GMWB, as discussed below, a Withdrawal taken to satisfy RMD for the contract (an "RMD amount") that exceeds a Withdrawal Benefit Payment for that Contract Year will not be deemed an Excess Withdrawal.

**RMD Program:** Eligibility in the RMD Program for GMWB is determined by satisfaction of the following requirements:

1. the amount required to be distributed each calendar year for purposes of satisfying the RMD rules of the Internal Revenue Code is based only on this contract (the "RMD amount"); and
2. You have elected scheduled Withdrawal Payments.

**Note:** Although enrollment in the RMD Program for GMWB does not prevent You from taking an unscheduled Withdrawal, an unscheduled Withdrawal will cause You to lose the RMD Program protections for the remainder of the Contract Year. This means that any Withdrawals (scheduled or unscheduled) during the remainder of the Contract Year that exceed the Withdrawal Benefit Payment will be treated as Excess Withdrawals, even if the purpose is to take the RMD amount. You will automatically be re-enrolled in the RMD Program for GMWB on Your next Contract Anniversary.

We reserve the right to modify or eliminate the RMD Program for GMWB; for example, if there is a change to the Internal Revenue Code or Internal Revenue Service rules or interpretations relating to RMD, including the issuance of relevant IRS guidance. We will send You at least 30 days advance Notice of any change in or elimination of the RMD Program for GMWB. Any modifications or elimination of the RMD Program for GMWB will take effect after Notice. If We exercise our right to modify or eliminate the RMD Program for GMWB, then any scheduled or unscheduled Withdrawal in excess of a Withdrawal Benefit Payment after the effective date of the program's modification or elimination will be deemed an Excess Withdrawal.

## **RIDER CHARGE**

There is an additional charge for this rider. The rider charge is computed quarterly based on the Withdrawal Benefit Base and is deducted from Your contract accumulated value at the end of each calendar quarter. The rider charge is deducted through the redemption of units from Your Separate Account Division(s) accumulated value and/or withdrawal from Your Fixed Account(s) Value in the same proportion as the surrender allocation percentages. If the surrender allocation percentages include the Fixed Account(s), We will not deduct charges from the Fixed Account(s) that reduce the credited interest amount below the guaranteed minimum interest amount. Any rider charges We cannot deduct from the Fixed Account(s) are pro-rated among Your remaining Separate Account Division(s) included in the surrender allocation percentages. If this rider is issued after the beginning of a calendar quarter, We will pro-rate the rider charge to reflect the number of days the rider is in effect during the calendar quarter.

The initial rider charge is shown on the Data Page. We may increase the rider charge, but We guarantee that the increased charge will not exceed the maximum rider charge shown on the Data Page. Rider charge increases, if any, will automatically apply unless We receive Notice from You declining the increase prior to the effective date of the rider charge increase.

**Note:** If You decline an increase in the rider charge, You will no longer be eligible for future Step-Ups and Your current rider charge will remain in effect for the remaining life of this rider.

If this rider is terminated, We will pro-rate the rider charge to reflect the number of days that this rider was in effect during the calendar quarter. There will be no further deductions for the rider charge.

## **INVESTMENT OPTION RESTRICTIONS**

While this rider is in effect, the Investment Options You may select are limited to the allocation models and/or Divisions that We designate ("GMWB Investment Options"). We may modify the GMWB Investment Options available with this rider from time to time.

You may select only one GMWB Investment Option at a time and additional premiums will be applied in the same proportion as Your current premium payment allocations. You may transfer from one GMWB Investment Option to another by providing Us Notice.

If You select a GMWB Investment Option which is an allocation model:

1. Your allocation percentages must match the percentages of the model You have selected; and
2. You direct us to automatically rebalance Your contract accumulated value on each calendar quarter to match Your selected model.

The Owner will be notified in writing at least 30 days (or longer if required by state and/or federal regulatory authorities) prior to any change in Investment Option restrictions.

#### **MAXIMUM TOTAL PREMIUM CONTRIBUTIONS**

The Maximum Total Premium Contributions You may make during the lifetime of the contract are shown on the Data Page. We reserve the right to treat all deferred variable annuity contracts issued by Us to You and/or Your Spouse with a guaranteed minimum withdrawal benefit rider attached as one contract for purposes of determining the Maximum Total Premium Contributions. We reserve the right to limit additional premium payments while this rider is in force.

#### **EFFECT OF REACHING THE MAXIMUM ANNUITIZATION DATE**

On or before the maximum Annuitization Date, You must elect one of the contract or GMWB rider payment options described below.

1. Contract payment options:
  - a. payments resulting from applying the contract accumulated value to an annuity benefit payment option, or
  - b. payment of the contract accumulated value as a single payment.
2. GMWB rider payment option:
  - a. fixed scheduled payments each year in the amount of the For Life Withdrawal Benefit Payment, until the date of death of the last Covered Life.

We will send You written Notice at least 30 days prior to the maximum Annuitization Date and ask You to select one of the available payment options listed above. If We have not received Your election as of the maximum Annuitization Date, We will automatically apply Your contract accumulated value to an annuity benefit payment option as described in the contract.

#### **EFFECT ON THE RIDER BENEFITS AT DEATH**

If You die when the contract accumulated value is greater than zero:

1. If You are the only Owner, upon Your death, Your primary beneficiary may elect one of the following:
  - a. receive the death benefit under the contract; or
  - b. if the primary beneficiary is Your Spouse, Your Spouse may continue the contract with or without this rider as set forth in SPOUSAL CONTINUATION.
2. If there are Joint Owners, upon the death of the first Joint Owner to die, the surviving Joint Owner may elect one of the following:
  - a. receive the death benefit under the contract; or
  - b. if the surviving Joint Owner is Your Spouse, Your Spouse may continue the contract with or without this rider as set forth in SPOUSAL CONTINUATION.

If You die after the contract accumulated value has reduced to zero:

1. If You elected "Single Life" For Life Withdrawal Benefit Payments, all payments stop and the contract is terminated.
2. If You elected "Joint Life" For Life Withdrawal Benefit Payments, We will continue payments to the surviving Covered Life until the date of the surviving Covered Life's death.

## **SPOUSAL CONTINUATION**

If You die while this rider is attached to Your contract, Your Spouse can NOT continue the contract with this rider if any of the following apply:

1. The contract accumulated value is zero.
2. The contract and this rider have been previously continued.
3. You were the sole Owner and Your Spouse is not a primary beneficiary.
4. There were Joint Owners and Your Spouse is not the surviving Joint Owner.
5. Your Spouse does not meet the minimum age requirement of Our rider eligibility guidelines on the date of the continuation election.
6. Withdrawals have been taken and You locked in "Single Life" For Life Withdrawal Benefit Payments. As explained in "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS, "Single Life" Withdrawals cease upon the death of the first Owner to die.
7. Withdrawals have been taken and You locked in "Joint Life" For Life Withdrawal Benefit Payments and Your Spouse is not an eligible Covered Life. As explained in COVERED LIFE CHANGE, after "Joint Life" Withdrawals have been taken, no one, including Your Spouse, may become a new Covered Life.

Note: Although spousal continuation may be available under the contract for a subsequent Spouse, this rider may only be continued once.

Note: If Your Spouse is not eligible to continue this rider, or elects not to continue this rider, this rider and all rights, benefits and charges under the rider will terminate.

If none of the statements above apply and Your Spouse elects to continue the contract with the rider:

If Withdrawals have not been taken:

1. Withdrawal Benefit Payments will be calculated as "Single Life".
2. You will be removed as a Covered Life and Your Spouse will be the sole Covered Life.
3. Your Spouse can NOT add a new Covered Life or elect "Joint Life" Withdrawal Benefit Payments.
4. The Withdrawal Benefit Payment percentage will be based on Your Spouse's age and will lock in at the "Single Life" percentage applicable on the date of Your Spouse's first Withdrawal.
5. Withdrawal Benefit Payments will continue to be available until the death of Your Spouse.
6. All other provisions of this rider will continue as in effect on the date of Your death.

If Withdrawals have been taken and You have locked in "Joint Life" Withdrawal Benefit Payments:

1. The Withdrawal Benefit Payment percentage will continue to be based on the original Covered Lives.
2. Your Spouse can NOT add a new Covered Life.
3. Withdrawal Benefit Payments will continue to be available until the death of Your Spouse.
4. All other provisions of this rider will continue as in effect on the date of Your death.

## **COVERED LIFE CHANGE**

Any ownership, beneficiary designation or other contract or rider change before the Annuitization Date which would cause a change in the Covered Life (a "Change") will result in termination of this rider, except for the following permissible Changes.

1. Spousal continuation of this rider as described above in SPOUSAL CONTINUATION.
2. If Withdrawals have not been taken and You have not previously elected to continue this rider as provided in SPOUSAL CONTINUATION:
  - a. You may add a Joint Owner or primary beneficiary as a Covered Life, provided that the new Joint Owner or primary beneficiary is an eligible Covered Life as set forth in "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS.
  - b. You may remove a Joint Owner or primary beneficiary as a Covered Life.
  - c. The Withdrawal Benefit Payment percentage will be calculated based on the age of the Covered Lives and will lock in at the percentage applicable on the date of Your first Withdrawal.
3. If Withdrawals have been taken and You have locked in "Single Life" Withdrawal Benefit Payments:
  - a. You may remove a Joint Owner as a Covered Life and Withdrawal Benefit Payments will cease upon Your death.
  - b. You may add a primary beneficiary to Your contract; however, You may not add a primary beneficiary as a Covered Life for purposes of this rider.
  - c. The Withdrawal Benefit Payment percentage will remain locked at the percentage applicable on the date of Your first Withdrawal and will not be reset to reflect the removal of the Covered Life.
4. If Withdrawals have been taken and You have locked in "Joint Life" Withdrawal Benefit Payments:
  - a. You may remove a Joint Owner or primary beneficiary as a Covered Life and Withdrawal Benefit Payments will cease upon Your death.
  - b. You may add a primary beneficiary to Your contract; however, You may not add a primary beneficiary as a Covered Life for purposes of this rider.
  - c. The Withdrawal Benefit Payment percentage will remain locked at the percentage applicable on the date of Your first Withdrawal and will not be reset to reflect the removal of the Covered Life.
5. If You have previously elected to continue the Rider as provided in SPOUSAL CONTINUATION, You may add a primary beneficiary to Your contract; however, You may not add a primary beneficiary as a Covered Life for purposes of this rider.

No Change is effective until approved by Us in writing. Upon Our approval, the Change is effective as of the date You signed the Notice requesting the Change.

An assignment of the contract or this rider shall be deemed a request for a Change. If the Change is not one of the above permissible Changes, this rider will be terminated as of the date of the assignment.

## EFFECT OF DIVORCE ON THE RIDER

Generally, in the event of a divorce, the Spouse who retains ownership of the contract will continue to be entitled to all rights and benefits of this rider while the former Spouse will no longer have any such rights or be entitled to any benefits under this rider. If You take a Withdrawal to satisfy a court order to pay a portion of the contract to Your former Spouse, any portion of such Withdrawal that exceeds the available Withdrawal Benefit Payment shall be an Excess Withdrawal under this rider.

## TERMINATION

You may terminate this rider anytime after this rider has been in force for five full Contract Years.


We will terminate this rider when any of the following occurs:

1. the contract terminates;
2. You fully annuitize the contract;
3. the Withdrawal Benefit Base is zero;
4. there is a Change of Covered Life or Owner, except as permitted in COVERED LIFE CHANGE;  
or
5. Your surviving Spouse continues the contract without this rider.

## REINSTATEMENT

If this rider terminates for any reason other than Your full surrender of Your contract, this rider may not be reinstated.

If You surrender Your contract with this rider attached and the contract is later reinstated, this rider also must be reinstated. If the contract and rider are reinstated, this rider will be reinstated as of the date of the termination. At the time this rider is reinstated, We will deduct rider charges scheduled during the period of termination and make any other adjustments necessary to reflect any changes in the amount reinstated and the contract accumulated value as of the date of termination.

  
Chairman, President and CEO  
Principal Life Insurance Company  
Des Moines, Iowa 50392-0001

## DATA PAGE

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### Flexible Premium Deferred Variable Annuity

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#### CONTRACT DATA

Contract Number:	{1234567}
Annuitant/Age:	{John Doe/45}
Owner:	{Jane Doe}
Joint Annuitant/Age:	{Jane Doe/45}
Joint Owner:	{John Doe}
Contract Date:	{November 1, 2012}
Maximum Annuitization Date:	{November 1, 2052}
Initial Premium:	{\$10,000.00}

#### BENEFITS

{Fixed Account Guaranteed Minimum Interest Rate:	{1.00%}}
{Fixed Account Interest Rate for premium payments received on the Contract Date:	{3.50%}}
{The Fixed Account Interest Rate may be lower for the Premium Payment Credit Rider.}	
{Fixed Dollar Cost Averaging (DCA) Account Guaranteed Minimum Interest Rate:	{1.00%}}
{Fixed DCA Account 6-Month DCA Term Interest Rate for premium payments received on the Contract Date:	{4.50%}}
{Fixed DCA Account 12-Month DCA Term Interest Rate for premium payments received on the Contract Date:	{5.50%}}

#### CONTRACT CHARGES AND LIMITS

Separate Account Administration Charge:	Currently {0.00%}, not to exceed 0.15% annually
Mortality & Expense Risks Charge:	1.25% annually
Annual Fee:	Lesser of \$30.00 or 2.00% of accumulated value
Transaction Fee:	{Currently \$00.00}, or, for unscheduled Division transfers after the first, such larger amount as is required by law or by the underlying mutual fund of the Division.
Minimum Additional Premium:	\$500.00
Maximum Total Premium Contributions:	\$2,000,000.00
Minimum Unscheduled Partial Surrender:	\$100.00
Minimum Accumulated Value After A Partial Surrender:	\$5,000.00
Minimum Accumulated Value To Initiate A Scheduled Partial Surrender:	\$5,000.00
Minimum Transfer Amount:	\$100.00
Free Surrender Amount:	
The greater of (A.) and (B.) where:	
(A.) is 10% of premium payments decreased by any partial surrenders made since the last Contract Anniversary; and	
(B.) is the accumulated value minus remaining premium payments as of the surrender date.	
{Minimum Fixed DCA Account Premium Payment:	\$1,000.00}

**SURRENDER CHARGES**

Completed Contract Years Since Each Premium Payment Was Made	Surrender Charge Percentage
0	8.00%
1	8.00%
2	7.00%
3	6.00%
4	5.00%
5	4.00%
6	3.00%
7	2.00%
8	1.00%
9 and after	0.00%



## RIDER DATA

### Premium Payment Credit Rider

**Effective Date:** { November 1, 2012 }  
**Annual Rider Charge:** 0.60% of the Division Value for the first eight Contract Years.

{The Fixed Account Initial Interest Rate may reflect an adjustment for this rider.}

### Guaranteed Minimum Withdrawal Benefit Rider

**Effective Date:** { November 1, 2012 }  
**Current Quarterly Rider Charge:** { 0.2750% }  
**Maximum Quarterly Rider Charge:** 0.5000%

#### Table of For Life Withdrawal Benefit Payment Percentages – “Single Life”:

<u>Age of Covered Life at first Withdrawal</u>	<u>For Life Withdrawal Benefit Payment Percentage</u>
45-49	3.50%
50-54	4.00%
55-59	4.50%
60-69	5.00%
70-74	5.50%
75-79	6.00%
80+	6.50%

#### Table of For Life Withdrawal Benefit Payment Percentages – “Joint Life”:

<u>Age of youngest Covered Life at first Withdrawal</u>	<u>For Life Withdrawal Benefit Payment Percentage</u>
45-49	3.00%
50-54	3.50%
55-59	4.00%
60-69	4.50%
70-74	5.00%
75-79	5.50%
80+	6.00%

{**GMWB Bonus** is available for the years shown below and equals the total of all premium payments made multiplied by the applicable GMWB Bonus Percentage shown below: }

<u>Contract Anniversary Following the Rider Effective Date</u>	<u>GMWB Bonus Percentage</u>
1	5.00%
2	5.00%
3	5.00%
4	5.00%
5	5.00%
6	5.00%
7	5.00%
8	5.00%
9	5.00%
10	5.00%

SERFF Tracking Number: PRLC-128229963 State: Arkansas  
 Filing Company: Principal Life Insurance Company State Tracking Number:  
 Company Tracking Number: SF 906  
 TOI: A02.11 Individual Annuities- Deferred Non- Sub-TOI: A02.11.002 Flexible Premium  
 Variable and Variable  
 Product Name: Individual Flexible Premium Variable Deferred Annuity  
 Project Name/Number: Principal Income Builder 3 and 10/SF 906 etal

## Supporting Document Schedules

	Item Status:	Status Date:
<b>Satisfied - Item:</b> Flesch Certification		
<b>Comments:</b>		
Regarding Rule & Regulation 19: We do not underwrite our individual annuity products and there are not premium rates associated with the forms included in this submission. We do not deny benefits or coverage under these rider forms on the basis of sex or marital status.		
Regarding Rule & Regulation 49: The forms in this submission are not contracts; however, we certify that when the riders are issued with the underlying contract, the Notice required by Rule & Regulation 49 is given to contract owners.		
Regarding the Flesch Certification: None is provided for these forms since they are issued with an SEC-regulated contract.		
Regarding the Consumer Information Notice: The forms in this submission are not contracts; however, we certify that when the riders are issued with the underlying contract, the Notice required by ACA 23-79-138 and Bulletin 11-88 is given to contract owners.		

	Item Status:	Status Date:
<b>Bypassed - Item:</b> Application		
<b>Bypass Reason:</b> This submission does not include a policy/contract.		
<b>Comments:</b>		

	Item Status:	Status Date:
<b>Satisfied - Item:</b> Life & Annuity - Acturial Memo		
<b>Comments:</b>		
<b>Attachments:</b>		
SF 906 Act Memo.pdf		
SF 912.pdf		

Item Status:                      Status  
Date:



Principal Life Insurance Company  
711 High Street  
Des Moines, IA 50392-0001

**Memorandum of Variable Material for forms SF 906 and SF 912**  
**Dated 04/01/2012**

**The following variable material is contained within brackets on the form. (When/if used below, "Company" means Principal Life Insurance Company.)**

1. **Officer name, signature and title:** In the event of a Company leadership change, the authorized officer may change. This would result in a different signature appearing on the rider form. In addition, the authorized officer's title may change from the one shown in brackets on the form. In the event the title of an officer signing the rider form changes, any new title utilized will be the title of an officer of the Company.
2. **Home office address:** The Company may vary the address by the physical location of the home office.
3. **Lower Right-Hand Corner:** Prints a unique number for each contract issued.



Principal Life Insurance Company  
711 High Street  
Des Moines, IA 50392-0001

**Memorandum of Variable Material for form SF 749-5**  
**Dated 04/01/2012**

The following variable material is contained within brackets on the form. (When/if used below, "Company" means Principal Life Insurance Company.)

1. **Contract Number:** Prints a unique number for each contract issued.
2. **Annuitant/Age:** Prints the Annuitant's name and age.
3. **Owner:** Prints the contract Owner's name.
4. **Joint Annuitant/Age:** Prints any Joint Annuitant's name and age. This line will not print if there is not a Joint Annuitant.
5. **Joint Owner:** Prints any Joint Owner's name. This line will not print if there is not a Joint Owner.
6. **Contract Date:** Prints the effective date of the contract.
7. **Maximum Annuitization Date:** Prints the Maximum Annuitization Date. The date will be equal to the later of (a) the contract anniversary immediately following the Annuitant's age 85 and (b) ten years after the contract date.
8. **Initial Premium:** Prints the initial premium paid for the contract.
9. **Fixed Account Guaranteed Minimum Interest Rate:** Prints the Fixed Account Guaranteed Minimum Interest Rate if the Fixed Account Endorsement is issued. This rate ranges between 1% and 3% inclusive and is fixed at contract issue. This line will not print if the Fixed Account Endorsement is not issued.
10. **Fixed Account Interest Rate for premium payments received on the Contract Date:** Prints the initial Fixed Account interest rate for premium payments received on the contract date if the Fixed Account Endorsement is issued. This rate will never be less than the Fixed Account Guaranteed Minimum Interest Rate. This line will not print if the Fixed Account Endorsement is not issued.
11. **The Fixed Account Initial Interest Rate may reflect an adjustment for the Premium Payment Credit Rider:** Prints if the Premium Payment Credit Rider is issued. This line will not print if the Premium Payment Credit Rider is not issued.
12. **Fixed Dollar Cost Averaging (DCA) Account Guaranteed Minimum Interest Rate:** Prints the Fixed DCA Guaranteed Minimum Interest Rate if the Fixed Dollar Cost Averaging Account Endorsement is issued with the contract. This rate will range between 1% and 3% inclusive and is fixed at contract issue. This line will not print if the Fixed Dollar Cost Averaging Account Endorsement is not issued.
13. **Fixed DCA Account 6-Month DCA Term Interest Rate for premium payments received on the Contract Date:** Prints the Initial 6-month Fixed DCA Account interest rate for premium payments received on the contract date. This rate will never be less than the Fixed Dollar Cost Averaging (DCA) Account Guaranteed Minimum Interest Rate. This line will not print if premium payments are not allocated to the 6-month DCA Term when the contract is issued.

14. **Fixed DCA Account 12-Month DCA Term Interest Rate for premium payments received on the Contract Date:** Prints the Initial 12-month Fixed DCA Account interest rate for premium payments received on the contract date. This rate will never be less than the Fixed Dollar Cost Averaging (DCA) Account Guaranteed Minimum Interest Rate. This line will not print if premium payments are not allocated to the 12-month DCA Term when the contract is issued.
15. **Separate Account Administration Charge:** Prints the current Separate Account Administration Charge. The charge may change over the life of the contract but it will not exceed 0.15% annually.
16. **Transaction Fee:** Prints the current Transaction Fee. The fee is currently set at zero or, for unscheduled separate account division transfers after the first, such larger amount as is required by law or by the underlying mutual fund of the separate account division.
17. **Minimum Fixed DCA Account Premium Payment:** \$1,000. This line will only print if all or part of the initial premium payment is allocated to a Fixed DCA Account.
18. **Surrender Charges:** Only one of the following tables will print for a contract, depending on whether or not the Premium Payment Credit Rider is issued. **NOTE** the charges shown within each table are fixed at issue and will not change while a contract is in force.

- The following table prints when the Premium Payment Credit Rider is not issued:

#### SURRENDER CHARGES

Completed Contract Years Since Each Premium Payment Was Made	Surrender Charge Percentage
0	6.00%
1	6.00%
2	6.00%
3	5.00%
4	4.00%
5	3.00%
6	2.00%
7 and after	0.00%

- The following table prints when the Premium Payment Credit Rider is issued:

#### SURRENDER CHARGES

Completed Contract Years Since Each Premium Payment Was Made	Surrender Charge Percentage
0	8.00%
1	8.00%
2	7.00%
3	6.00%
4	5.00%
5	4.00%
6	3.00%
7	2.00%
8	1.00%
9 and after	0.00%

19. **Rider Data:** Prints the RIDER DATA heading if one or more riders are issued. If no riders are issued with the contract, then this line will not print. From time to time we may add new or delete rider paragraphs from this section depending on which riders are available for new issue.

- a. **Premium Payment Credit Rider:** If the Premium Payment Credit Rider is issued, the paragraph showing the rider effective date and annual rider charge will print. The annual rider charge is fixed at contract issue and will not change while the contract is in force.

**The Fixed Account Initial Interest Rate may reflect an adjustment for this rider:** This sentence will print if the Premium Payment Credit Rider and the Fixed Account Endorsement are both issued on the same contract.

- b. **Guaranteed Minimum Withdrawal Benefit ("GMWB") Rider:**

If a GMWB Rider is issued, a paragraph showing the rider effective date, current quarterly rider charge, and maximum quarterly rider charge will print.

- For rider form SF 906, the current quarterly rider charge is 0.2750% and will not exceed the maximum quarterly rider charge of 0.5000%. The maximum quarterly rider charge is fixed at issue and will not change while the contract is in force.
- For rider form SF 912, the current quarterly rider charge is 0.2375% and will not exceed the maximum quarterly rider charge of 0.4125%. The maximum quarterly rider charge is fixed at issue and will not change while the contract is in force.

If a GMWB Rider is issued, a **Table of For Life Withdrawal Benefit Payment Percentages – “Single Life”** and a **Table of For Life Withdrawal Benefit Payment Percentages – “Joint Life”** will print.

- The ages and the age ranges shown in the left-hand column of each table may vary, but they will not be less than 45 or more than 80+. This column is fixed at issue and will not change while the contract is in force.
- The percentages shown in the right hand column of each table may vary but will not be less than 0.5% or more than 10%. This column is fixed at issue and will not change while the contract is in force.

If a GMWB Rider is issued on the contract effective date, the following paragraph will print:

- **GMWB Bonus** is available for the years shown below and equals the total of all premium payments made multiplied by the applicable GMWB Bonus Percentage shown below:

If a GMWB Rider is issued after the contract effective date, the following would print instead of the above paragraph:

- **GMWB Bonus** is available for the years shown below and equals the contract accumulated value on the rider effective date plus all premium payments made since the rider effective date multiplied by the applicable GMWB Bonus Percentage shown below:

If a GMWB Rider is issued, a **GMWB Bonus** table will print.

- The number of years shown in the left-hand column may vary between 1 and “All Years.” This column is fixed at issue and will not change while the contract is in force.
- The bonus percentages shown in the right-hand column may vary between 0.0% and 10%. This column is fixed at issue and will not change while the contract is in force.

<i>SERFF Tracking Number:</i>	<i>PRLC-128229963</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Principal Life Insurance Company</i>	<i>State Tracking Number:</i>	
<i>Company Tracking Number:</i>	<i>SF 906</i>		
<i>TOI:</i>	<i>A02.11 Individual Annuities- Deferred Non-Variable and Variable</i>	<i>Sub-TOI:</i>	<i>A02.11.002 Flexible Premium</i>
<i>Product Name:</i>	<i>Individual Flexible Premium Variable Deferred Annuity</i>		
<i>Project Name/Number:</i>	<i>Principal Income Builder 3 and 10/SF 906 etal</i>		

## Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date:	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
04/18/2012	Form	Guaranteed Minimum Withdrawal Benefit Rider	04/24/2012	SF 906.pdf (Superceded)



## GUARANTEED MINIMUM WITHDRAWAL BENEFIT RIDER

This rider is part of Your contract. All definitions, provisions, and exceptions of the contract apply to this rider unless specifically changed by this rider. This rider is available only if the Owner(s) and Covered Lives meet Our rider eligibility guidelines.

The rider effective date is shown on the Data Page. In the event of a conflict between any provision in this rider and the contract, the provisions of this rider will control. The initial charge for this rider is shown on the Data Page. You may terminate this rider any time after it has been in force for five full Contract Years.

### RIDER BENEFITS

This rider guarantees that You may take certain Withdrawals in each Contract Year regardless of Your contract's accumulated value, subject to the terms and conditions of this rider. The purpose of the guaranteed minimum withdrawal benefit provided under this rider is to provide security through available Withdrawals. The guaranteed minimum withdrawal benefit will terminate upon assignment or a change in ownership of the contract unless the new assignee or Owner meets the qualifications specified in the COVERED LIFE CHANGE provision of this rider.

### DEFINITIONS

**COVERED LIFE** or **COVERED LIVES** are the natural person(s) upon whose lives the Withdrawal Benefit Payments of this rider are based. There can be no more than two Covered Lives.

**EXCESS WITHDRAWAL** is the portion of a Withdrawal that exceeds the applicable Withdrawal Benefit Payment.

**OWNER** is the person, including any Joint Owner, who owns all rights and privileges of this rider. If the Owner is not a natural person, for purposes of this rider, the term "Owner" shall mean the Annuitant(s).

**REMAINING WITHDRAWAL BENEFIT BASE** (also referred to as For Life Remaining Withdrawal Benefit Base and Investment Back Remaining Withdrawal Benefit Base) is the total amount that is available for future Withdrawal Benefit Payments.

**SPOUSE** is the person recognized as the Owner's Spouse and eligible to make a spousal election under federal tax laws.

**WITHDRAWAL** is any partial surrender of the contract accumulated value (including Surrender Charges, if the partial surrender exceeds the Free Surrender Amount) and/or any partial annuitization of the contract.

**WITHDRAWAL BENEFIT BASE** (also referred to as For Life Withdrawal Benefit Base and Investment Back Withdrawal Benefit Base) is the amount on which a Withdrawal Benefit Payment is based.

**WITHDRAWAL BENEFIT PAYMENT** (also referred to as For Life Withdrawal Benefit Payment and Investment Back Benefit Payment) is any amount guaranteed to be available for Withdrawal each Contract Year.

### GUARANTEED MINIMUM WITHDRAWAL BENEFIT (GMWB)

This rider provides for two separate guaranteed minimum withdrawal options. You may take "Investment Back" Withdrawal Benefit Payments or "For Life" Withdrawal Benefit Payments.

1. **The "Investment Back"** Withdrawal Benefit Payment is available immediately and guarantees that You may take Withdrawals up to 7% annually of the Investment Back Withdrawal Benefit Base. The Investment Back withdrawal option continues until the Investment Back Remaining Withdrawal Benefit Base is zero.

2. The **"For Life"** Withdrawal Benefit Payment guarantees that You may take Withdrawals, up to an annual percentage of the For Life Withdrawal Benefit Base, on and after the Contract Anniversary following the date the oldest Owner attains age 59 ½. The annual percentage is based on "Single Life" unless You have elected "Joint Life" For Life Withdrawal Benefit Payments as described in FOR LIFE WITHDRAWAL OPTION - "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS. When calculating the For Life withdrawal option, all Withdrawals taken prior to the Contract Anniversary following the date the oldest Owner attains age 59 ½ are treated as Excess Withdrawals.

You are not required to take Withdrawals, except as described in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO. You may take Withdrawals when, and in any amount, You desire subject to the Minimum Unscheduled Partial Surrender amount shown on the Data Page. Anytime You take a Withdrawal, We adjust the Withdrawal Benefit Payment, the Withdrawal Benefit Base, and the Remaining Withdrawal Benefit Base associated with each of the For Life and Investment Back withdrawal options, as described in WITHDRAWAL BENEFIT PAYMENT CALCULATION, WITHDRAWAL BENEFIT BASE CALCULATION, and REMAINING WITHDRAWAL BENEFIT BASE CALCULATION. Withdrawals are deducted from the Investment Options in the same proportion as Your current premium payment allocations unless You direct otherwise.

Note: Although this rider does not restrict Your Withdrawal rights under the contract, You need to know that the amount of Withdrawals that exceed either, or both, the For Life or the Investment Back Withdrawal Benefit Payments have a negative effect on this rider's value as described in EFFECT OF EXCESS WITHDRAWALS ON RIDER BENEFITS.

#### **FOR LIFE WITHDRAWAL OPTION - "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS**

##### "Single Life" For Life Withdrawal Benefit Payments

The For Life Withdrawal Benefit Payments under this rider are automatically calculated as "Single Life", meaning based on one Covered Life. To be eligible for "Single Life" Withdrawal Benefit Payments, the Covered Life:

1. must be either:
  - a. the Owner if there is only one Owner; or
  - b. the youngest Joint Owner if there are Joint Owners; and
2. must meet Our rider eligibility guidelines on the date named as a Covered Life.

"Single Life" Withdrawal Benefit Payments continue until the earlier of:

1. the death of the first Owner to die; or
2. the For Life Withdrawal Benefit Base is zero.

The "Single Life" Withdrawal Benefit Payment percentage is locked in as of the date of Your first Withdrawal and is set out in the table on the Data Page.

##### "Joint Life" For Life Withdrawal Benefit Payments

Anytime on or before Your first Withdrawal, You may elect to take For Life Withdrawal Benefit Payments on a "Joint Life" basis, meaning based on two Covered Lives. You may only elect "Joint Life" Withdrawal Benefit Payments if there are two eligible Covered Lives. The "Joint Life" election is not available if the Owner is not a natural person.

In order to be eligible for "Joint Life" Withdrawal Benefit Payments, the Covered Lives:

1. must be either:
  - a. if there is only one Owner, the Owner and the Owner's Spouse, provided the Spouse is named as a primary beneficiary; or
  - b. the Joint Owners, provided the Joint Owners are each other's Spouse; and
2. must meet Our rider eligibility guidelines on the date named as Covered Lives.

"Joint Life" Withdrawal Benefit Payments continue until the earlier of:

1. the death of the last Covered Life to die, or
2. the For Life Withdrawal Benefit Base is zero.

The "Joint Life" Withdrawal Benefit Payment percentage is locked in as of the date of Your first Withdrawal and is set out in the table on the Data Page.

Note: The For Life Withdrawal Benefit Payment will always be based on "Single Life" unless You notify us that You are electing "Joint Life" Withdrawal Benefit Payments and You are eligible to make a "Joint Life" election. At the time You take Your first Withdrawal, regardless of whether that Withdrawal is deemed an Investment Back Withdrawal Benefit Payment or a For Life Withdrawal Benefit Payment, Your For Life Withdrawal Benefit Payment is locked in as either "Single Life" or "Joint Life", whichever is applicable. You may not change Your For Life Withdrawal Benefit Payment election after You have taken a Withdrawal.

#### **EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO**

If Your contract accumulated value is zero and rider benefits are available:

1. You must elect either the For Life withdrawal option (if the For Life Withdrawal Benefit Base is greater than zero) or the Investment Back withdrawal option (if the Investment Back Remaining Withdrawal Benefit Base is greater than zero). If You elect the For Life withdrawal option, the For Life Withdrawal Benefit Payment will be based on "Single Life" or "Joint Life" as described in FOR LIFE WITHDRAWAL OPTION – "SINGLE LIFE AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS. You may elect the frequency of Your Withdrawal Benefit Payment on a schedule that is acceptable to Us.
2. After You elect either the For Life or the Investment Back withdrawal option, You will continue to receive the applicable Withdrawal Benefit Payment under this rider according to the rider terms, but all other rights and benefits under this rider and the contract, including death benefits and the ability to make additional premium payments, will cease.

#### **WITHDRAWAL BENEFIT PAYMENT CALCULATION**

We calculate the Withdrawal Benefit Payments on the rider effective date and on each Contract Anniversary thereafter.

The Investment Back Withdrawal Benefit Payment is calculated as 7% of the Investment Back Withdrawal Benefit Base.

The For Life Withdrawal Benefit Payment is calculated as a fixed percentage of the For Life Withdrawal Benefit Base. The For Life Withdrawal Benefit Payment percentage is locked in as of the date of Your first Withdrawal regardless of whether that Withdrawal is deemed an Investment Back Withdrawal Benefit Payment or a For Life Withdrawal Benefit Payment as set out in the tables on the Data Page, and is automatically based on "Single Life" unless You are eligible and elect "Joint Life".

You are not required to take a Withdrawal of any or all of a Withdrawal Benefit Payment in a Contract Year. If You do not take an available Withdrawal Benefit Payment in a Contract Year, that remaining Withdrawal Benefit Payment does not carry over to the next Contract Year.

#### **WITHDRAWAL BENEFIT BASE CALCULATION**

We calculate the Withdrawal Benefit Bases on the rider effective date and on each Contract Anniversary this rider is in force. If the Contract Date and the rider effective date are the same, each Withdrawal Benefit Base equals premium payments made on that date. If the Contract Date and the rider effective date are different, each Withdrawal Benefit Base equals the contract accumulated value on the rider effective date. Additional premium payments made during any Contract Year plus any applicable GMWB Bonus will increase the Withdrawal Benefit Bases on the next Contract Anniversary.

Withdrawals during a Contract Year that are less than or equal to a Withdrawal Benefit Payment will not decrease the applicable Withdrawal Benefit Base. Excess Withdrawals will reduce the applicable Withdrawal Benefit Base in an amount equal to the greater of:

1. the Excess Withdrawals; and
2. the result of (a. divided by b.), multiplied by c., where:
  - a. is the amount withdrawn in excess of the Withdrawal Benefit Payment remaining prior to the Withdrawal;
  - b. is the contract accumulated value after the Withdrawal Benefit Payment is deducted, but prior to the Excess Withdrawal; and
  - c. is the Withdrawal Benefit Base prior to the adjustment for the Excess Withdrawal.

Note: The Withdrawal Benefit Base cannot be withdrawn in a lump sum and is not payable as a death benefit.

#### **REMAINING WITHDRAWAL BENEFIT BASE CALCULATION**

We calculate the Remaining Withdrawal Benefit Bases on the rider effective date and on each day that any additional premium payment or Withdrawal is taken. If the Contract Date and the rider effective date are the same, each Remaining Withdrawal Benefit Base equals premium payments made on that date. If the Contract Date and the rider effective date are different, each Remaining Withdrawal Benefit Base equals the contract accumulated value on the rider effective date.

Premium payments increase the Remaining Withdrawal Benefit Bases.

Any Withdrawal during a Contract Year decreases the Remaining Withdrawal Benefit Bases. A Withdrawal that is not an Excess Withdrawal will be deducted from each Remaining Withdrawal Benefit Base. Excess Withdrawals will reduce the applicable Remaining Withdrawal Benefit Base in an amount equal to the greater of:

1. the Excess Withdrawals; and
2. the result of (a. divided by b.), multiplied by c., where:
  - a. is the amount withdrawn in excess of the Withdrawal Benefit Payment remaining prior to the Withdrawal;
  - b. is the contract accumulated value after the Withdrawal Benefit Payment is deducted, but prior to the Excess Withdrawal; and
  - c. is the Remaining Withdrawal Benefit Base after the Withdrawal Benefit Payment is deducted, but prior to the adjustment for the Excess Withdrawal.

Note: The Remaining Withdrawal Benefit Base cannot be withdrawn in a lump sum and is not payable as a death benefit.

## GMWB BONUS

We may credit a GMWB Bonus to the Withdrawal Benefit Bases, provided that You have not taken a Withdrawal in any preceding Contract Year during the life of this rider. The GMWB Bonus, if any, is shown on the Data Page.

Note: The GMWB Bonus is used only for purposes of calculating the Withdrawal Benefit Bases. It is not included in either Your contract accumulated value or the Remaining Withdrawal Benefit Bases.

## ANNUAL GMWB STEP-UP

On each Contract Anniversary following the rider effective date, You are eligible for an automatic increase ("Step-Up") to the Withdrawal Benefit Bases if the following requirements are satisfied:

1. the Contract Anniversary occurs before the later of:
  - a. the Contract Anniversary following the date the oldest Owner attains age 80; or
  - b. ten years after the rider effective date;
2. You have not declined any increases in the rider charge; and
3. You have not fully annuitized Your contract.

On each Contract Anniversary following the rider effective date, You are eligible for a Step-Up to the Remaining Withdrawal Benefit Bases if the following requirements are satisfied:

1. the Contract Anniversary occurs before the later of:
  - a. the Contract Anniversary following the date the oldest Owner attains age 80; or
  - b. ten years after the rider effective date;
2. You have not declined any increases in the rider charge;
3. You have not fully annuitized Your contract; and
4. the Remaining Withdrawal Benefit Base has not reduced to zero during the life of this rider.

Note: Once a Remaining Withdrawal Benefit Base has reduced to zero, You are no longer eligible for any future Step-Ups of that Remaining Withdrawal Benefit Base, even if You make additional premium payments.

So long as You remain eligible for the Step-Up feature of this rider, You will be charged the then current rider charge as described in RIDER CHARGE. You may avoid an increase in Your rider charge by declining the rider charge increase before the rider charge increase becomes effective. If You decline the increased charge, You are no longer eligible for the Step-Up feature. The feature may not be added later and You will not receive future Step-Ups.

On each Contract Anniversary following the rider effective date, We will compare the contract accumulated value on the Contract Anniversary to the applicable Withdrawal Benefit Base. If the contract accumulated value is greater than the:

1. For Life Withdrawal Benefit Base, We will:
  - a. Step-Up the For Life Withdrawal Benefit Base to the contract accumulated value if You are eligible for that Step-Up.
  - b. Step-Up the For Life Remaining Withdrawal Benefit Base to the contract accumulated value if You are eligible for that Step-Up.

2. Investment Back Withdrawal Benefit Base, We will:
  - a. Step-Up the Investment Back Withdrawal Benefit Base to the contract accumulated value if You are eligible for that Step-Up.
  - b. Step-Up the Investment Back Remaining Withdrawal Benefit Base to the contract accumulated value if You are eligible for that Step-Up.

## **EFFECT OF EXCESS WITHDRAWALS ON RIDER BENEFITS**

Any Withdrawal, or portion thereof, when aggregated with all prior Withdrawals during that Contract Year, that exceeds the applicable Withdrawal Benefit Payment is an Excess Withdrawal. For example, the Investment Back withdrawal option permits larger payment to You than the For Life withdrawal option. As a result, if You take a Withdrawal in an amount permitted under the Investment Back withdrawal option, that Withdrawal will be an Excess Withdrawal to the extent it exceeds the applicable For Life Withdrawal Benefit Payment. In addition, all Withdrawals taken prior to the Contract Anniversary following the date the oldest Owner attains age 59 1/2 are treated as Excess Withdrawals when calculating the For Life withdrawal option.

**Excess Withdrawals under a withdrawal option will reduce the applicable Withdrawal Benefit Base and Remaining Withdrawal Benefit Base. This reduction may be greater than the dollar amount of the Excess Withdrawal when the contract accumulated value is less than each of the applicable Withdrawal Benefit Bases and Remaining Withdrawal Benefit Bases.** For a description of how Excess Withdrawals impact the Withdrawal Benefit Bases and Remaining Withdrawal Benefit Bases, see WITHDRAWAL BENEFIT BASE CALCULATION and REMAINING WITHDRAWAL BENEFIT BASE CALCULATION.

## **REQUIRED MINIMUM DISTRIBUTIONS (RMD)**

Tax-qualified contracts are subject to certain federal tax rules requiring that RMD be taken on a calendar year basis (as opposed to a contract year basis), usually beginning after age 70½.

If You are eligible for and enroll in our RMD Program for GMWB, as discussed below, a Withdrawal taken to satisfy RMD for the contract (an "RMD amount") that exceeds the applicable Withdrawal Benefit Payment for that Contract Year will not be deemed an Excess Withdrawal.

RMD Program: Eligibility in the RMD Program for GMWB is determined by satisfaction of the following requirements:

1. the amount required to be distributed each calendar year for purposes of satisfying the RMD rules of the Internal Revenue Code is based only on this contract (the "RMD amount"); and
2. You have elected scheduled Withdrawal Payments available under the RMD Program.

Note: Although enrollment in the RMD Program for GMWB does not prevent You from taking an unscheduled Withdrawal, an unscheduled Withdrawal will cause You to lose the RMD Program protections for the remainder of the Contract Year. This means that any Withdrawals (scheduled or unscheduled) during the remainder of the Contract Year that exceed applicable Withdrawal Benefit Payments will be treated as Excess Withdrawals, even if the purpose is to take the RMD amount. You will automatically be re-enrolled in the RMD Program for GMWB on Your next Contract Anniversary.

We reserve the right to modify or eliminate the RMD Program for GMWB; for example, if there is a change to the Internal Revenue Code or Internal Revenue Service rules or interpretations relating to RMD, including the issuance of relevant IRS guidance. We will send You at least 30 days advance Notice of any change in or elimination of the RMD Program for GMWB. Any modifications or elimination of the RMD Program for GMWB will take effect after Notice. If We exercise Our right to modify or eliminate the RMD Program for GMWB, then any scheduled or unscheduled Withdrawal in excess of a Withdrawal Benefit Payment after the effective date of the program's modification or elimination will be deemed an Excess Withdrawal.

## **RIDER CHARGE**

There is an additional charge for this rider. The rider charge is computed quarterly based on the Investment Back Withdrawal Benefit Base and is deducted from Your contract accumulated value at the end of each calendar quarter. The rider charge is deducted through the redemption of units from Your Separate Account Division(s) accumulated value and/or withdrawal from Your Fixed Account(s) Value in the same proportion as the surrender allocation percentages. If the surrender allocation percentages include the Fixed Account(s), We will not deduct charges from the Fixed Account(s) that reduce the credited interest amount below the guaranteed minimum interest amount. Any rider charges We cannot deduct from the Fixed Account(s) are pro-rated among Your remaining Separate Account Division(s) included in the surrender allocation percentages. If this rider is issued after the beginning of a calendar quarter, We will pro-rate the rider charge to reflect the number of days the rider is in effect during the calendar quarter.

The initial rider charge is shown on the Data Page. We may increase the rider charge, but We guarantee that the increased charge will not exceed the maximum rider charge shown on the Data Page. Rider charge increases, if any, will automatically apply unless We receive Notice from You declining the increase prior to the effective date of the rider charge increase.

Note: If You decline an increase in the rider charge, You will no longer be eligible for future Step-Ups and Your current rider charge will remain in effect for the remaining life of this rider.

If this rider is terminated, We will pro-rate the rider charge to reflect the number of days that this rider was in effect during the calendar quarter. There will be no further deductions for the rider charge.

## **INVESTMENT OPTION RESTRICTIONS**

While this rider is in effect, the Investment Options You may select are limited to the allocation models and/or Divisions that We designate ("GMWB Investment Options"). We may modify the GMWB Investment Options available with this rider from time to time.

You may select only one GMWB Investment Option at a time and additional premiums will be applied in the same proportion as Your current premium payment allocations. You may transfer from one GMWB Investment Option to another by providing Us Notice.

If You select a GMWB Investment Option which is an allocation model:

1. Your allocation percentages must match the percentages of the model You have selected; and
2. You direct us to automatically rebalance Your contract accumulated value on each calendar quarter to match Your selected model.

The Owner will be notified in writing at least 30 days (or longer if required by state and/or federal regulatory authorities) prior to any change in Investment Option restrictions.

## **MAXIMUM TOTAL PREMIUM CONTRIBUTIONS**

The Maximum Total Premium Contributions You may make during the lifetime of the contract are shown on the Data Page. We reserve the right to treat all deferred variable annuity contracts issued by Us to You and/or Your Spouse with a guaranteed minimum withdrawal benefit rider attached as one contract for purposes of determining the Maximum Total Premium Contributions. We reserve the right to limit additional premium payments while this rider is in force.

## **EFFECT OF REACHING THE MAXIMUM ANNUITIZATION DATE**

On or before the maximum Annuitization Date, You must elect one of the contract or GMWB rider payment options described below.

1. Contract payment options:
  - a. payments resulting from applying the contract accumulated value to an annuity benefit payment option, or
  - b. payment of the contract accumulated value as a single payment.
2. GMWB rider payment options:
  - a. You may elect the Investment Back withdrawal option and receive fixed scheduled payments each Contract Year in the amount of the Investment Back Withdrawal Benefit Payment, until the Investment Back Remaining Withdrawal Benefit Base is zero.
  - b. You may elect the For Life withdrawal option and receive fixed scheduled payments each Contract Year in the amount of the For Life Withdrawal Benefit Payment, until the later of
    - i. the date the For Life Remaining Withdrawal Benefit Base is zero; or
    - ii. the date of death of the last Covered Life.

If there is any Remaining Withdrawal Benefit Base at the time of Your death (death of the first Annuitant to die if the Owner is not a natural person), We will continue payments as described in EFFECT ON THE RIDER BENEFITS AT DEATH.

We will send You written Notice at least 30 days prior to the maximum Annuitization Date and ask You to select one of the available payment options listed above. If We have not received Your election as of the maximum Annuitization Date, We will automatically apply Your contract accumulated value to an annuity benefit payment option as described in the contract.

## **EFFECT ON THE RIDER BENEFITS AT DEATH**

If You die when the contract accumulated value is greater than zero:

1. If You are the only Owner, upon Your death, Your primary beneficiary may elect one of the following:
  - a. receive the death benefit under the contract;
  - b. receive the Investment Back Remaining Withdrawal Benefit Base as a series of payments in an amount and frequency acceptable to Us; or
  - c. if the primary beneficiary is Your Spouse, Your Spouse may continue the contract with or without this rider as set forth in SPOUSAL CONTINUATION.
2. If there are Joint Owners, upon the death of the first Joint Owner to die, the surviving Joint Owner may elect one of the following:
  - a. receive the death benefit under the contract,
  - b. receive the Investment Back Remaining Withdrawal Benefit Base as a series of payments in an amount and frequency acceptable to Us; or
  - c. if the surviving Joint Owner is Your Spouse, Your Spouse may continue the contract with or without this rider as set forth in SPOUSAL CONTINUATION.

If You die after the contract accumulated value has reduced to zero:

1. If You are the only Owner, upon Your death, We will pay Your primary beneficiary:
  - a. any For Life Remaining Withdrawal Benefit Base as a series of payments, If You elected the For Life withdrawal option as provided in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO.
  - b. any Investment Back Remaining Withdrawal Benefit Base as a series of payments, If You elected the Investment Back withdrawal option as provided in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO.



2. If there are Joint Owners, upon the death of the first Joint Owner to die, We will pay the surviving Joint Owner:
  - a. any For Life Remaining Withdrawal Benefit Base as a series of payments, If You elected the For Life withdrawal option as provided in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO.
  - b. any Investment Back Remaining Withdrawal Benefit Base as a series of payments, If You elected the Investment Back withdrawal option as provided in EFFECT ON RIDER BENEFITS IF CONTRACT ACCUMULATED VALUE IS ZERO.

## **SPOUSAL CONTINUATION**

If You die while this rider is attached to Your contract, Your Spouse can NOT continue the contract with this rider if any of the following apply:

1. The contract accumulated value is zero.
2. The contract and this rider have been previously continued.
3. You were the sole Owner and Your Spouse is not a primary beneficiary.
4. There were Joint Owners and Your Spouse is not the surviving Joint Owner.
5. Your Spouse does not meet the minimum age requirement of Our rider eligibility guidelines on the date of the continuation election.
6. Withdrawals have been taken and You locked in "Single Life" For Life Withdrawal Benefit Payments. As explained in FOR LIFE WITHDRAWAL OPTION - "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS, "Single Life" Withdrawals cease upon the death of the first Owner to die.
7. Withdrawals have been taken and You locked in "Joint Life" For Life Withdrawal Benefit Payments and Your Spouse is not an eligible Covered Life. As explained in COVERED LIFE CHANGE, after "Joint Life" Withdrawals have been taken, no one, including Your Spouse, may become a new Covered Life.

Note: Although spousal continuation may be available under the contract for a subsequent Spouse, this rider may only be continued once.

Note: If Your Spouse is not eligible to continue this rider, or elects not to continue this rider, this rider and all rights, benefits and charges under the rider will terminate.

If none of the statements above apply and Your Spouse elects to continue the contract with the rider:

If Withdrawals have not been taken:

1. For Life Withdrawal Benefit Payments will be calculated as "Single Life".
2. You will be removed as a Covered Life and Your Spouse will be the sole Covered Life.
3. Your Spouse can NOT add a new Covered Life or elect "Joint Life" For Life Withdrawal Benefit Payments.
4. The For Life Withdrawal Benefit Payment percentage will be based on Your Spouse's age and will lock in at the "Single Life" percentage applicable on the date of Your Spouse's first Withdrawal.

5. For Life Withdrawal Benefit Payments will continue to be available until the death of Your Spouse.
6. The Investment Back withdrawal option will continue to be available until the Investment Back Remaining Withdrawal benefit base is zero.
7. All other provisions of this rider will continue as in effect on the date of Your death.

If Withdrawals have been taken and You have locked in "Single Life" Withdrawal Benefit Payments:

1. The For Life withdrawal option terminates upon Your death and is not available to Your Spouse. You will be removed as a Covered Life and Your Spouse is not an eligible Covered Life.
2. The Investment Back withdrawal option will continue to be available until the Investment Back Remaining Withdrawal benefit base is zero.
3. All other provisions of this rider will continue as in effect on the date of Your death.

If Withdrawals have been taken and You have locked in "Joint Life" Withdrawal Benefit Payments:

1. If Your Spouse is an eligible Covered Life:
  - a. The For Life Withdrawal Benefit Payment percentage will continue to be based on the original Covered Lives.
  - b. Your Spouse can NOT add a new Covered Life.
  - c. For Life Withdrawal Benefit Payments will continue to be available until the death of Your Spouse.
  - d. The Investment Back withdrawal option will continue to be available until the Investment Back Remaining Withdrawal benefit base is zero.
2. If Your Spouse is not an eligible Covered Life:
  - a. The For Life withdrawal option terminates upon Your death and is not available to Your Spouse. You will be removed as a Covered Life and Your Spouse is not an eligible Covered Life.
  - b. The Investment Back withdrawal option will continue to be available until the Investment Back Remaining Withdrawal benefit base is zero.
3. All other provisions of this rider will continue as in effect on the date of Your death.

## **COVERED LIFE CHANGE**

Any ownership, beneficiary designation or other contract or rider change before the Annuitization Date which would cause a change in the Covered Life (a "Change") will result in termination of this rider, except for the following permissible Changes.

1. Spousal continuation of this rider as described above in SPOUSAL CONTINUATION.
2. If Withdrawals have not been taken and You have not previously elected to continue this rider as provided in SPOUSAL CONTINUATION:
  - a. You may add a Joint Owner or primary beneficiary as a Covered Life, provided that the new Joint Owner or primary beneficiary is an eligible Covered Life as set forth in FOR LIFE WITHDRAWAL OPTION - "SINGLE LIFE" AND "JOINT LIFE" WITHDRAWAL BENEFIT PAYMENTS.
  - b. You may remove a Joint Owner or primary beneficiary as a Covered Life.
  - c. The Withdrawal Benefit Payment percentage will be calculated based on the age of the Covered Lives and will lock in at the percentage applicable on the date of Your first Withdrawal.

3. If Withdrawals have been taken and You have locked in "Single Life" For Life Withdrawal Benefit Payments:
  - a. You may remove a Joint Owner as a Covered Life and For Life Withdrawal Benefit Payments will cease upon Your death.
  - b. You may add a primary beneficiary to Your contract; however, You may not add a primary beneficiary as a Covered Life for purposes of this rider.
  - c. The Withdrawal Benefit Payment percentage will remain locked at the percentage applicable on the date of Your first Withdrawal and will not be reset to reflect the removal of the Covered Life.
4. If Withdrawals have been taken and You have locked in "Joint Life" For Life Withdrawal Benefit Payments:
  - a. You may remove a Joint Owner or primary beneficiary as a Covered Life and For Life Withdrawal Benefit Payments will cease upon Your death.
  - b. You may add a primary beneficiary to Your contract; however, You may not add a primary beneficiary as a Covered Life for purposes of this rider.
  - c. The For Life Withdrawal Benefit Payment percentage will remain locked at the percentage applicable on the date of Your first Withdrawal and will not be reset to reflect the removal of the Covered Life.
5. If You have previously elected to continue the Rider as provided in SPOUSAL CONTINUATION, You may add a primary beneficiary to Your contract; however, You may not add a primary beneficiary as a Covered Life for purposes of this rider.

No Change is effective until approved by Us in writing. Upon Our approval, the Change is effective as of the date You signed the Notice requesting the Change.

An assignment of the contract or this rider shall be deemed a request for a Change. If the Change is not one of the above permissible Changes, this rider will be terminated as of the date of the assignment.

#### **EFFECT OF DIVORCE ON THE RIDER**

Generally, in the event of a divorce, the Spouse who retains ownership of the contract will continue to be entitled to all rights and benefits of this rider while the former Spouse will no longer have any such rights or be entitled to any benefits under this rider. If You take a Withdrawal to satisfy a court order to pay a portion of the contract to Your former Spouse, any portion of such Withdrawal that exceeds the available Withdrawal Benefit Payments shall be an Excess Withdrawal under this rider.

#### **TERMINATION**

You may terminate this rider anytime after this rider has been in force for five full Contract Years.

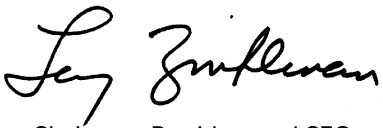
We will terminate this rider when any of the following occurs:

1. the contract terminates;
2. You fully annuitize the contract;
3. the Investment Back Remaining Withdrawal Benefit Base is zero and the For Life Withdrawal Benefit Base is zero;
4. the Investment Back Remaining Withdrawal Benefit Base is zero and there are no eligible Covered Lives; or
5. there is a Change of Covered Life or Owner, except as permitted in COVERED LIFE CHANGE; or
6. Your surviving Spouse continues the contract without this rider.

## REINSTATEMENT

If this rider terminates for any reason other than Your full surrender of Your contract, this rider may not be reinstated.

If You surrender Your contract with this rider attached and the contract is later reinstated, this rider also must be reinstated. If the contract and rider are reinstated, this rider will be reinstated as of the date of the termination. At the time this rider is reinstated, We will deduct rider charges scheduled during the period of termination and make any other adjustments necessary to reflect any changes in the amount reinstated and the contract accumulated value as of the date of termination.

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Chairman, President and CEO

{ Principal Life Insurance Company  
Des Moines, Iowa 50392-0001 }